



Daily Report

East Asia

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15 March 1994

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Japan

Ozawa Cancels 'Troubleshooting' Mission to U.S.

*OW1503123494 Tokyo KYODO in English 1221 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—The ruling coalition's chief strategist, Ichiro Ozawa, said Tuesday [15 March] he has canceled a journey to the United States later this month.

Ozawa told a group of reporters in the Diet that it would be difficult because he has not made any preparations for the trip. His U.S. visit was believed to be a troubleshooting mission to find a breakthrough in the strained Japan-U.S. trade ties.

Secretary general of the coalition's primary bloc Shinseito and a close associate of Prime Minister Morihiro Hosokawa, Ozawa initially considered going to Washington on March 21 at the request of the National Press Club to deliver a speech.

Ozawa, however, had eyed using the opportunity to meet officials in the administration of President Bill Clinton and congressional leaders to work out difficulties that hampered the development of bilateral economic ties following the failure of the "framework" trade talks last month, political sources said. Hosokawa and Clinton failed to reach agreement in the talks aimed at opening up Japan's market to U.S. goods and reducing its huge trade surplus.

On the possibility of visiting the U.S. in the future, Ozawa said he would consider going after the intense media speculation over the trip has died down.

U.S. Demand for Overcharges Repayment Viewed

*OW1503053694 Tokyo NHK General Television
Network in Japanese 0306 GMT 15 Mar 94*

[Announcer-read report; from "NHK News" program]

[Text] It has been revealed that concerning construction projects at the U.S. Forces Japan [USFJ] Atsugi base, the U.S. Government has notified the Japanese Government of its intention to demand that 73 Japanese construction companies pay a total of 1.1 billion yen in compensation for its having been forced to pay unreasonably high construction costs as a result of bid rigging among major Japanese construction companies.

According to the message, the U.S. Government has been unjustly forced to pay unusually high costs for the construction of facilities at the USFJ Atsugi base in Kanagawa Prefecture between 1984 and 1990 because major Japanese construction companies engaged in bid rigging. It is reported that the U.S. Government therefore intends to demand about 1.1 billion yen in compensation from 73 construction companies which were involved in the construction projects.

In this regard, Construction Minister Kozo Igarashi said at a news conference following a cabinet meeting this morning that although it is the job of the Fair Trade Commission to determine whether there was bid rigging, the Construction Ministry, for its part, will immediately investigate the matter. Igarashi, however, brushed aside concerns that this situation might refuel bilateral construction frictions, saying that it would not affect future bilateral ties because Japan presented the United States with measures last January to improve foreign access to Japanese construction markets, including the revision of bidding procedures, and that the two nations managed to reach an accord.

Meanwhile, the Foreign Ministry feels the United States is not linking the bid rigging issue to the ongoing bilateral economic disputes because this matter is strictly a civil issue.

Phone Accord Said No 'Government Guarantee'

*OW1503121894 Tokyo KYODO in English 1201 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—The latest accord between Tokyo and Washington over cellular phone trade carries no government pledge guaranteeing results, a senior Trade Ministry official said Tuesday [15 March].

What Japan agreed to do in the phone trade talks is not anything like a "government guarantee," said the official at the Ministry of International Trade and Industry, who declined to be identified.

The comment came in response to remarks by U.S. Trade Representative Mickey Kantor on Saturday's settlement of a dispute involving Motorola Inc. and Nippon Idou Tsushin Corp. (IDO) over the U.S. company's access to the Japanese cellular phone market.

Referring to part of the accord that says Tokyo will take "all available measures to ensure compliance with the commitments" undertaken by IDO, Kantor said the expression "validates the result-oriented approach" Washington wants in the future.

The MITI official said Japan cannot accept an interpretation that would lead to the setting of "numerical targets," an idea Tokyo has adamantly turned down in its trade talks with the United States.

MITI fears that the difference of interpretation between the two countries over the wording in question might develop into another source of bilateral contention, the official said.

Under the private-level agreement between IDO and Motorola that was reached before the governmental accord, the Japanese cellular phone company promised to open 159 new relay stations for Motorola-format phones.

Ministry Views Complaint Against Phone Firms*OW1503074094 Tokyo KYODO in English 0712 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Japan's telecommunications ministry confirmed Tuesday [15 March] that it will remain neutral on a complaint filed by Japanese international operators against cut-rate services offered in Japan by U.S.-affiliated firms.

Japan is shelving the decision on whether to restrict or keep allowing the services, an official at the Posts and Telecommunications Ministry said, noting that global attention is fixed on Japan and the United States.

"We are seeking a compromise measure...but Japan cannot move alone on an issue that requires international adjustments," said Hirokazu Suda, director of the ministry's tariff division at the ministry's Telecommunications Bureau.

The comments came after an industry official last Friday quoted government sources as saying that the ministry had virtually dismissed the Japanese industry's petition as it found the U.S. firms' services posed no problem under current rules.

Suda admitted that the services cannot be restricted under the current law, but said, "it's just that the law was not made to encompass such a new, advanced service." He described the services as "abnormal."

But with the services already spreading, user benefits of a service that was invented amid the global trend toward deregulation cannot be ignored, he said.

"We just have no idea yet, and don't know which countries will come up with a good solution," Suda said.

KDD and other common carriers should also review their services and rates, he said.

Three Japanese common carriers led by KDD, which formerly monopolized Japan's international phone services, lodged the petition in January requesting the ministry to probe the "call-back" discount services which they claimed use their lines unfairly, free of charge.

The move followed a similar complaint filed with the U.S. Federal Communications Commission (FCC) last autumn by American Telephone and Telegraph Co. against U.S. discount phone firms exploiting call-back and other such systems.

Under the call-back system offered in Japan, users call a switching center in the United States and hang up after two rings. After a few seconds, the center calls back and the users dial the actual number they want to call, the country of origin of the call now being the United States.

In the U.S., cut-rate operators use lines offered with discounts to large-lot resellers by common carriers.

Suda said Japan is gathering information from the FCC, which is also having difficulties in ruling on the issue. The FCC is also probably watching what Japan will do, he said.

France and Germany are focusing attention on Japan because U.S. discount rate operators have also entered those two nations, he said.

Fujii on Detroit G-7 Summit, Market Opening*OW1503030294 Tokyo KYODO in English 0218 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Japan likely faces criticism at the current "jobs summit" for "exporting unemployment" but the issue is not so simple, Finance Minister Hirohisa Fujii said Tuesday [15 March].

Global unemployment involves many structural problems, he stressed at a regular news conference after a morning cabinet meeting, but he acknowledged Japan is likely to be under fire at the Detroit meeting for its stubborn current account surplus.

The ministerial meeting of seven industrialized powers is a place for broad debate on dealing with unemployment, Fujii said.

He repeated that Japan is trying to boost domestic demand, which would help curb the imbalance, expressing hope for "large effects" from last month's 15 trillion yen economic stimulus package. He also repeated that Japan is crafting measures to further open its markets, promote new business and restructure industry.

Asked if Japan could explain its views adequately without the finance minister present, Fujii said he thinks Labor Minister Chikara Sakaguchi is "clearly" explaining the Japanese position in Detroit.

Fujii said there are no bilateral meetings officially scheduled at a meeting later this week of finance ministers from members of the Asia-Pacific Economic Cooperation forum, but that he favors such exchanges.

Asked if he wants to meet separately with his U.S. counterpart Lloyd Bentsen, Fujii said only that he favors bilateral meetings with "several people."

Trade Surplus Said Up; 'Shrank' Against U.S.*OW1503094994 Tokyo KYODO in English 0919 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Japan's overall trade surplus edged up in February from a year before but the politically sensitive imbalance with the United States shrank fractionally, the Finance Ministry said Tuesday.

Import growth outstripped that of exports, with slumping auto exports counterbalancing a pickup in semiconductor exports, while imports of computers surged, a ministry official said in explaining the monthly preliminary report.

The overall merchandise trade surplus on a customs-cleared basis grew 3.3 percent from a year before, slower than some recent double-digit rises, to 10,912 million dollars.

But the official said it was the largest February figure ever for the surplus, which has expanded every month for more than three years with the exception of last November.

Imports grew 7.0 percent from a year before to 18,620 million dollars, while exports increased 5.6 percent to 29,533 million dollars.

The surplus with the U.S. dipped 0.9 percent from a year before to 4,344 million dollars, the first decline in nine months, the official said. Imports grew 15.1 percent, outrunning a 6.8 percent rise in exports.

The Japanese currency was up 13.5 percent from a year before to average 109.07 yen to the dollar in February, the official said.

The higher yen should eventually curb Japan's surplus by making exports pricier in other currencies while making imports cheaper in yen terms. But in the short run it inflates the value of the surplus in the closely watched dollar terms.

In yen terms, Japan's surplus continued to decline, falling 9.1 percent, with imports down 5.7 percent and exports off 7.0 percent from a year before. In volume terms, imports climbed 9.9 percent for their ninth straight gain, while exports dipped 3.6 percent, the official noted.

On the export ledger, motor vehicles fell 16.7 percent to 4.6 billion dollars. That somewhat offset such increases as a 32.9 percent rise in semiconductors and electronic parts to 2.0 billion dollars, and a 79.0 percent jump in ship exports to 938 million dollars.

Among the import gainers, computers and other office machines climbed 31.8 percent to 673 million dollars, semiconductors rose 43.9 percent to 488 million dollars, and clothing gained 41.2 percent to 1.0 billion dollars.

But the value of crude oil imports sank 20.1 percent to 2.0 billion dollars, while that of petroleum products plunged 41.3 percent to 295 million dollars. The price of crude slumped 16.5 percent in February from a year before to an average 14.83 dollars a barrel, the official said.

Contributing to the rise in U.S. imports was a 30.2 percent climb by computers and other office machines and a 26.9 percent increase in semiconductors and electronic parts.

Among exports to the U.S., semiconductors were up 24.8 percent and auto parts rose 11.9 percent, while motor vehicle exports slipped 6.8 percent.

Imports from the U.S. totaled 4,680 million dollars, while exports reached 9,024 million dollars.

The trade surplus with the rest of Asia grew for the 22nd straight month, rising 5.8 percent to 4,389 million dollars, the official said.

Exports to Asia rose 12.4 percent to 10,740 million dollars, with car engines up 40.7 percent and semiconductors rising 36.6 percent, the official said. Imports rose 17.5 percent to 6,351 million dollars.

The surplus with the European Union also remained in decline, falling 15.8 percent to 2,269 million dollars.

Exports fell 6.9 percent to 4,529 million dollars, with autos sagging 33.3 percent. European imports edged up 4.3 percent to 2,260 million dollars on increases such as autos, up 41.1 percent, and semiconductors, rising 21.9 percent.

Further Details Reported

*OW1503073194 Tokyo KYODO in English 0644 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Japan's merchandise trade surplus rose for a third straight month in February, climbing 3.3 percent from a year before to 10,912 million dollars, the Finance Ministry said Tuesday [15 March] in a preliminary report.

The February rise in the customs-cleared trade surplus followed preliminary rises of 17.0 percent in January, 15.5 percent in December and a 2.2 percent fall in November that snapped 34 months of consecutive year-on-year growth.

Exports rose 5.6 percent in February from a year earlier to 29,532 million dollars, while imports rose 7.0 percent to 18,620 million dollars, the ministry said.

Japan registered an unadjusted surplus of 4,344 million dollars in its trade with the United States.

Deregulation Panel Studies Information Sector

*OW1403045794 Tokyo KYODO in English 0356 GMT
14 Mar 94*

[Text] Tokyo, March 14 KYODO—The administrative reform headquarters of Prime Minister Morihiro Hosokawa on Monday [14 March] held its first meeting to discuss how to relax government regulations in information and telecommunications fields.

The premier urged an affiliated working group on information and telecommunications to propose ways to ease regulations in the two fields, Chief Cabinet Secretary Masayoshi Takemura told reporters. The panel was asked to report as soon as possible.

The group will meet once or twice a month and is expected to make its proposals by the end of June. The next meeting is scheduled for early April.

The group will weigh the possibility of developing an optical fiber-based communications network modeled after the national information infrastructure program of the U.S. Government, said Takeshi Fujii, chief of the Cabinet Councillor's Office on Internal Affairs.

Hosokawa Urges Larger Deregulation Items List
OW1503061394 Tokyo KYODO in English 0550 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—Prime Minister Morihiro Hosokawa called on his ministers Tuesday to come up with a list of new items for possible deregulation by the end of the month, government officials said.

Hosokawa made the call in a morning cabinet meeting in response to pressure from the United States and elsewhere for Japan to harmonize its economy with that of the rest of the world.

In the Japan-U.S. trade framework negotiations, Washington has proposed dozens of new targets for deregulation.

Hosokawa called deregulation a vital component of the government's economic reforms and said it must be actively tackled to promote harmonious economic relations with other countries.

Protests Over Rice Prompt Special Diet Session
OW1503093294 Tokyo KYODO in English 0910 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—The House of Representatives agricultural committee decided Tuesday [15 March] to call a special session on March 22 over the rice shortage, in response to increasing protests against the compulsory blending of domestic with imported rice, legislators said.

The agricultural committee of the House of Councillors, which is scheduled to convene Wednesday, is also expected to set a date to discuss consumers' worries about the rice supply in a plenary session of the upper house.

Legislators from the opposition Liberal Democratic Party (LDP), had urged the committee meetings after customers started to line up in front of supermarkets hoping to buy some scarce unblended Japanese rice.

In a controversial decision, the Food Agency announced on March 7 that it would mandate the blending of Japanese and Thai rice for retail as an emergency measure to discourage consumers from hoarding domestic rice.

In a field excursion to supermarkets and rice retailers in central Tokyo, a group of 11 LDP legislators from both houses of parliament interviewed shoppers about the situation on Tuesday.

The group also visited the metropolitan rice center, where imported rice is being packed, and observed the quarantine inspection of Australian rice shipments at the Yokohama customs office.

The legislators also plan to inspect government storehouses and other facilities related to rice distribution on Thursday and Friday and on two days next week, in preparation for the special Diet meetings, they said.

'Concern' Over Restricted DPRK Inspections
OW1503024494 Tokyo KYODO in English 0214 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—Foreign Minister Tsutomu Hata voiced concern Tuesday [15 March] over reported restrictions North Korea placed on inspections by the International Atomic Energy Agency (IAEA) of its seven declared nuclear facilities.

"We were relieved when the inspections finally took place, so we can't but feel concern over the current situation," Hata told a press conference after a cabinet meeting.

Hata was referring to reports that the IAEA inspectors were barred from certain activities in inspecting North Korea's nuclear facilities.

On Monday, an IAEA source said the North Koreans placed some restrictions on the activities of the seven-member team, though the agency's spokesman declined to comment on the details of the inspection.

Also, in Monday's edition of the CHUNGANG ILBO, a major South Korean newspaper, an unidentified government official was quoted as saying the team was barred from removing samples of nuclear materials from one facility for laboratory tests.

If such restrictions took place, or if it is confirmed that nuclear materials have been diverted for military purposes, the IAEA will convene a special meeting to consider referring the matter to the U.N. Security Council for further action.

An IAEA spokesman said a decision on whether such a meeting is called could be made within this week, depending on the content of the inspection team's report.

The spokesman said the IAEA team had concluded its schedule of inspections of North Korea's seven declared nuclear facilities.

The IAEA inspections, which began March 3, were the first allowed by North Korea in about a year.

The team is scheduled to depart for Vienna via Beijing on Tuesday.

MITI Seeks 'Early' Accord With EU on Autos

OW1403071894 Tokyo KYODO in English 0643 GMT
14 Mar 94

[Text] Tokyo, March 14 KYODO—Japan and the European Union (EU) should agree as early as possible on setting a ceiling for European-bound Japanese car exports for 1994, a senior Japanese trade ministry official said Monday [14 March].

Japan's export ceiling for the year should be worked out before the next fiscal year starts on April 1, Hideaki Kumano, vice international trade and industry minister, told a press conference.

The comment came ahead of Japan-EU auto talks scheduled for Thursday and Friday in Tokyo, which are expected to discuss the size of auto demand in the EU in 1994, the benchmark for setting Japan's auto shipments to the union.

In talks in February, the two parties failed to narrow their difference on the prospects for demand for cars in the EU. The Europeans projected demand would level off, while the Japanese predicted a slight pickup.

The 1992 Japan-EU accord calls for the two sides to monitor Japanese car exports during a 1993-1999 transitional period before the EU auto market is fully liberalized in 2000.

Election Monitors Leave for El Salvador 15 Mar

OW1503115594 Tokyo KYODO in English 1057 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—Fifteen election observers left here Tuesday [15 March] for El Salvador to join a United Nations peacekeeping mission in that country.

The dispatch is in line with a request from UN Secretary General Butrus Butrus-Ghali in late February to send Japanese personnel to monitor the March 20 presidential and parliamentary elections.

The 15-member Japanese team, comprising three persons from the Foreign Ministry, one from the Tokyo metropolitan government and 11 from the private sector, will join a 900-member UN unit to oversee the polls in the central American country.

El Salvador is the third country to which Japan has sent election observers in accordance with the UN Peacekeeping Cooperation Law, following Angola and Cambodia.

Hosokawa, Ecuadoran President Discuss Loans

OW1503141994 Tokyo KYODO in English 1354 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—Ecuador President Sixto Duran-Ballen Cordovez called on Japan on Tuesday [15 March] to extend yen loans to the Latin

American country to help its project to build up its power transmission network, Foreign Ministry officials said.

The president made the call in a 35-minute meeting with Prime Minister Morihiro Hosokawa, the officials said.

The meeting was followed by a 70-minute dinner at the prime minister's official residence.

Ecuador's project to set up branch lines from its main power grid and build transformer substations is estimated to cost a total of 90 million dollars, the officials said.

Duran-Ballen did not specify the amount of Japanese cooperation desired, they said.

Hosokawa told Duran-Ballen Japan will study the request for yen loans based on Ecuador's economic situation and debt, they said.

Duran-Ballen was quoted as saying Ecuador will solve the debt problem as soon as possible so it can implement the power grid project.

During the meeting, the president also invited Hosokawa, Emperor Akihito and Empress Michiko, and Crown Prince Naruhito and Crown Princess Masako to visit Ecuador, the officials said.

He also invited them to visit Galapagos Island west of Ecuador, they said.

Hosokawa was quoted as saying Ecuador is a country he would like to visit sometime.

Hosokawa expressed the hope that relations between Japan and Ecuador would become even closer, the officials said.

He told the president the Japanese Government has been extending assistance to improve Ecuador's infrastructure and is currently studying possible cooperation in the nation's vocational training, the officials said.

A Japanese mission is visiting Ecuador between March 15 and 26 to study the cooperation, Hosokawa was quoted as saying.

Hosokawa also said Japan will invite 10 young people from Ecuador for training in Japan, they said.

At the outset of the meeting, Foreign Minister Tsutomu Hata and his counterpart from Ecuador Diego Paredes Pena exchanged documents on two Japanese grants-in-aid amounting to a total of 1,123 million yen, according to the officials.

The assistance comprises 1,074 million yen for medical equipment in major hospitals and 49 million yen in cultural aid for equipment for the national sucre theater, they said.

Nauru President Meets With Hosokawa 15 Mar
OW1503115494 Tokyo KYODO in English 1006 GMT
15 Mar 94

[Text] Tokyo, March 15 KYODO—The president of the Pacific island nation of Nauru expressed hopes for Japan's continued cooperation with the South Pacific region in a meeting with Prime Minister Morihiro Hosokawa on Tuesday [15 March], government officials said.

Bernard Dowiyogo, who also heads the South Pacific Forum (SPF), an informal discussion body of 15 nations and regions including Australia and New Zealand, also thanked Hosokawa for Japan's assistance to the region.

Dowiyogo said the South Pacific region hopes to "deepen dialogue" with Japan through an SPF meeting to be held in Australia in August.

Since 1989 the annual SPF sessions have been followed by "dialogues" with representatives of important cooperation partners such as the United States, China and Japan.

In response, Hosokawa pledged Japan's readiness to further develop ties with the region.

Hosokawa, Norwegian Parliamentary Leader Meet

OW1403095394 Tokyo KYODO in English 0932 GMT
14 Mar 94

[Text] Tokyo, March 14 KYODO—Norwegian parliamentary leader Kristi Kolle Grondahl Monday [14 March] met Prime Minister Morihiro Hosokawa for an exchange of greetings and a brief discussion of Russia's disposal of radioactive waste into the Sea of Japan.

Grondahl, president of the 165-member Storting, remarked that Norway faces a similar problem with Russian nuclear dumping near its own borders, government officials said.

She said Prime Minister Gro Harlem Brundtland, who canceled plans to visit Japan in January because of a cold, hopes to visit in the near future to discuss the problem.

Hosokawa said Foreign Minister Tsutomu Hata plans to raise the issue when he visits Russia this month.

Grondahl is visiting Japan at the invitation of the House of Councillors.

Foreign Minister Hata Wants Two-Party System

OW1403105394 Tokyo NHK General Television
Network in Japanese 1000 GMT 13 Mar 94

[Announcer-read report: from the "NHK News 7" program]

[Text] Foreign Minister Tsutomu Hata, at a news conference held today in Kanazawa City, where he is visiting on a stumping tour, expressed his hope again to form a new party to create a two-party system, in which change of power can be realized.

Foreign Minister Hata said: The coalition parties are working hard to steer the government. But, we just cannot continue indefinitely to keep the current process, in which the parties take every single issue to their own party for consensus before the coalition makes a decision as a while.

He then said: Rather than insisting on keeping our own party, I would like to form a strong and stable political force which can compete with the Liberal Democratic Party. I do not mind calling it a new new-party [shin shinto].

In this way he renewed his willingness to form a two-party system, in which change of power can be realized.

Ruling Parties To Study Electoral Cooperation

OW1503040894 Tokyo NHK General Television
Network in Japanese 1000 GMT 14 Mar 94

[Announcer-read report; from "NHK News 7" program]

[Text] At the meeting of the ruling coalition parties' representatives today, Shinseito [Japan Renewal Party] and Komeito suggested that the ruling parties should be reorganized into one party to facilitate electoral cooperation. It was decided that the ruling parties' representatives' meeting would serve as the venue for coordinating views on electoral cooperation and realignment of political parties.

During today's meeting, Shinseito representative Deputy Secretary General Kozo Watanabe, Komeito Secretary General Yuichi Ichikawa, and Democratic Socialist Party [DSP] Secretary General Takashi Yonezawa commented on the Social Democratic Party of Japan's [SDPJ] plan to unite the social democratic and liberal forces. They said that if there is no plan for the ruling parties to become one party in the future, electoral cooperation will not be possible in the upper house elections scheduled for summer 1995. They also pointed out that even in the lower house elections, it would be impossible to cooperate in the single-seat constituencies while competing in the proportional-representation constituencies. They indicated that it is necessary for the ruling parties to aim to form a new-new party [shin shin to] to campaign effectively in the forthcoming elections.

In response, SDPJ Secretary General Wataru Kubo said, it is still a viable method of electoral cooperation for the ruling parties to coordinate on the choice of candidates and cooperate with each other in the elections. He stated that it is not possible to proceed right away to form a new-new party.

In light of these differing views, the ruling coalition parties decided to use representatives' meetings or party heads' meetings as venues to coordinate views on electoral cooperation, and to discuss the closely-related issue of the realignment of political parties for the time being.

Ouchi Advocates Early Realignment of Parties

*OW1503092894 Tokyo KYODO in English 0858 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Keigo Ouchi, chairman of the Democratic Socialist Party (DSP), advocates an early realignment of Japanese political parties to prepare for general elections which he says could take place anytime after January 1995.

He said in an interview with KYODO NEWS SERVICE that political parties should realign by this summer to allow time to hammer out policies and prepare candidates for the House of Representatives elections.

"The elections for the House of Councillors are planned for next summer and general elections (for the lower house) under the new electoral system could take place anytime after January next year," Ouchi said.

The DSP chief said the biggest challenge facing Japanese politics today is to lay the foundation for one or two political parties that could take over the reins of government from the largest opposition Liberal Democratic Party (LDP).

The LDP ruled for 38 years until Prime Minister Morihiro Hosokawa, head of the fledgling Japan New Party, launched a seven-party coalition last summer.

Ouchi praised Hosokawa for making a "courageous decision" not to reshuffle his cabinet, a move aimed chiefly at getting rid of Chief Cabinet Secretary Masayoshi Takemura, the head of new party Sakigake.

He said in the interview that the Hosokawa administration would have fallen apart if it had proceeded with a 7 percent national welfare tax program and a cabinet shake-up.

Ouchi blamed Shinseito secretary general Ichiro Ozawa and his Komeito counterpart Yuichi Ichikawa for the ill-fated scenarios, and said such high-handed politicking could lead to a collapse of the coalition government.

JNP, Shinseito To Form Parliamentary Group

*OW1503143894 Tokyo KYODO in English 1426 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—The ruling coalition Japan New Party (JNP) and Shinseito (Japan Renewal Party) have agreed to form a parliamentary group in the House of Representatives in late April, coalition sources said Tuesday [15 March].

Prime Minister Morihiro Hosokawa, who heads the JNP, Foreign Minister Tsutomu Hata, head of Shinseito,

and Ichiro Ozawa, secretary general of Shinseito, reached the accord, the sources said.

They have also agreed to call for participation of the Democratic Socialist Party, another partner in the seven-party coalition, in the parliamentary group, the sources said.

LDP Urges Hosokawa To Present Repayment Proof

*OW1503095094 Tokyo KYODO in English 0848 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—The leader of the opposition Liberal Democratic Party (LDP) called for Prime Minister Morihiro Hosokawa on Tuesday [15 March] to present the Diet with a receipt to verify that he repaid a loan of 100 million yen which he received from a parcel delivery firm.

Sadatoshio Ozato, chairman of the LDP's Diet Policy Affairs Committee, told a party panel of directors that Hosokawa had claimed "he repaid 100 million yen by 10 installments," but the panel never received any proof. "Hosokawa should present us with a detailed copy of at least one installment," said Ozato.

He said the LDP has sought verification that Hosokawa repaid his debts to the scandal-tainted Sagawa Kyubin Co. as a condition of opening deliberations of the House of Representatives budget committee.

Meanwhile, Hosokawa told his coalition partners on Tuesday afternoon that he has already released all documents in connection with the Sagawa Kyubin case.

The LDP has demanded that the prime minister's former secretary testify to the Diet as a sworn-in witness to verify that he did not receive a backhand political donation from Sagawa Kyubin Co.

Hosokawa has indirectly acknowledged that he received 100 million yen from the firm in 1982, when he was governor of Kumamoto Prefecture.

However, he has claimed that he repaid the loan, which he said was used to purchase a condominium in central Tokyo, to repair his home in Kumamoto and to fund a gubernatorial election campaign in 1983.

Hosokawa served as governor of Kumamoto Prefecture for two consecutive terms from 1983 until February 1991.

In the meantime, the lower house budget committee remained idle Tuesday morning due to the LDP's refusal to attend.

In a related development, the governing coalition's directors of the lower house Diet affairs committee and their LDP counterparts held a three-hour meeting in the Diet in an attempt to break the deadlock and open deliberations.

After the meeting, Koken Nosaka, head of the Social Democratic Party (SDP) Diet administration committee, told reporters he will ask Hosokawa to submit to the Diet proof that he did not receive a backhand political donation from Sagawa Kyubin Co.

Tomiichi Murayama, head of the SDP, the largest party in the coalition, said it is not necessary for the prime minister's former secretary to testify in the Diet as a sworn-in witness.

He said the Diet will be able to investigate the matter by receiving satisfactory answers from Hosokawa himself.

Hosokawa Rejects Party's Demand

OW1503143194 Tokyo KYODO in English 1413 GMT 15 Mar 94

[Text] Tokyo, March 15 KYODO—Prime Minister Morihiro Hosokawa rejected an opposition party demand Tuesday [15 March] to submit further documents related to his loan from a scandal-tainted trucking firm.

The main opposition Liberal Democratic Party (LDP), which set the submission as a condition to start deliberations of the fiscal 1994 state budget at the House of Representatives budget committee, reacted angrily, with the result that debates on the budget are likely to be delayed until later this month, Diet sources said.

Chiefs of the Diet affairs committee from the coalition parties and the LDP met in the afternoon in order to reach agreement on the opening of debate on the 73.08 trillion yen budget. The negotiations, however, broke off after Hosokawa rejected the LDP demand, the sources said.

The LDP decided not to attend Wednesday's scheduled meeting of senior members of the budget committee, which will discuss a timetable to deliberate the national budget for fiscal 1994 that starts April 1, LDP officials said.

The government last Friday submitted to the panel documents relating to the loan but the LDP and the Japanese Communist Party (JCP) were not satisfied, saying the submissions were insufficient, and renewed their demands that the government offer further detailed materials.

Hosokawa has insisted he borrowed the 100 million yen from Tokyo Sagawa Kyubin in 1982 to repair his home in Kumamoto Prefecture and buy a condominium in Tokyo, and fully repaid the money nine years later.

The parcel delivery firm was involved in a money-and-mob scandal which forced LDP kingpin Shin Kanemaru to resign in disgrace in 1992.

Hosokawa maintains he repaid the money by January 31, 1991, using part of his retirement allowance as Kumamoto governor. But the LDP argues that

Hosokawa could not have received the retirement allowance before finishing his second term as governor in February 1991.

Issue Threatens Budget Debate

OW1403143894 Tokyo KYODO in English 1359 GMT 14 Mar 94

["News focus" by Takehiko Kajita: "Hosokawa's Loan Dispute Delays Debate on Key Budget"]

[Text] Tokyo, March 14 KYODO—Prime Minister Morihiro Hosokawa's failure to give a clear-cut account of his loan from a scandal-plagued firm has not only fueled a spat between the ruling coalition and the opposition camp, but has delayed parliamentary debate on the key fiscal 1994 state budget.

"With the question of politicians and money drawing attention, Mr. Hosokawa has not told the truth of whether he was given the money or borrowed it, leaving the matter unresolved," Yoshiro Mori, secretary general of the main opposition Liberal Democratic Party (LDP) said Sunday [13 March].

Mori, in a move to throw down the gauntlet to the governing coalition, warned that his party will refuse to begin a session of the House of Representatives Budget Committee to discuss the national budget for fiscal 1994, starting April 1, until the premier proves his innocence.

Hosokawa has insisted he borrowed the 100 million yen from Tokyo Sagawa Kyubin Co., a now-defunct parcel delivery company, in 1982 and repaid the money nine years later. But the LDP, toppled from power last summer for the first time in nearly four decades, has retorted it is unclear how the premier used the money and how he returned it to the creditor.

Tokyo Sagawa Kyubin, which has since been absorbed into Sagawa Kyubin Co., a Kyoto-based parent company, was embroiled in a massive money-and-mob scandal in 1992 and 1993 that implicated former Prime Minister Noboru Takeshita and disgraced LDP kingmaker Shin Kanemaru.

One element compounding the matter is Hosokawa's inconsistent and less-than-persuasive explanations about his receipt and repayment of the money. This has caused the LDP to suspect that it was not a loan that the premier obtained, but an illicit donation.

Last December, Hosokawa said in a memo to the Diet that he borrowed the 100 million yen from Kiyoshi Sagawa, former chairman of Sagawa Kyubin, through Tokyo Sagawa in September 1982 to buy a condominium in Tokyo and repair his home in Kumamoto Prefecture, southwestern Japan.

He also explained he paid back the money by January 31, 1991, using part of his retirement allowance as Kumamoto governor, in addition to using the proceeds from the sale of a plot of land in Tokyo.

But the LDP has pointed out that Hosokawa could not have received the retirement allowance before he finished his second four-year term as governor in February 1991, raising doubts about the premier's accounts.

With the memo also showing that Hosokawa purchased the Tokyo condominium in July 1982, two months before he borrowed the money from Sagawa, the LDP and the Japanese Communist Party (JCP) have charged that the premier used the money to secure his campaign funds for a Kumamoto gubernatorial election one year later.

Furthermore, Hosokawa's failure to submit to the Diet all the receipts he must have accepted from Sagawa if he really repaid the money sparked a barrage of criticism from the opposition camp that the premier took the money as an illegal political donation, not as what he insists was a loan.

Dissatisfied with Hosokawa's explanations, the LDP and the JCP successfully forced the lower house budget panel, in an unusual move, to ask the government to submit to the Diet detailed documents concerning Hosokawa's payment of the Sagawa money.

Although the government presented some documents relating to the loan last Friday, the two parties laughed them off and refused to set a timetable for Diet discussion on the key budget unless the government submits further detailed documents.

"If Mr. Hosokawa can have the public understand he really paid back the money, we believe we do not have to question him any further and discuss this matter any longer," Sadatoshi Ozato, chairman of the LDP Diet Affairs Committee, said Monday.

"But he has only widened doubts regarding the question of how specifically he returned it," Ozato said, adding that the party will leave the matter of setting a schedule of budget discussion up to a group of directors of the lower house budget panel for a little longer.

The government and the ruling coalition aim to have the fiscal 1994 national budget passed through the Diet by mid-May and minimize the effects of the delayed Diet deliberations on the ailing Japanese economy.

As Hosokawa postponed the formulation of the budget from the end of last year till early this year to concentrate on Diet deliberations on his cherished political reform, the start of budget debate has been delayed until mid-March or later for the first time since 1967.

Contractors Said Involved in Kajima Scandal

*OW1303113094 Tokyo KYODO in English 1035 GMT
13 Mar 94*

[Text] Tokyo, March 13 KYODO—Executives of several major contractors joined an arrested Kajima Corp. executive in asking former Construction Minister Kishiro

Nakamura to use his influence as a Diet member to block accusations over bid-rigging practices, informed sources said Sunday [13 March].

The executives were key members of a cartel of 66 contractors including Kajima in Saitama Prefecture. They attempted to solicit Nakamura's cooperation in blocking a probe by the Fair Trade Commission (FTC) into suspected bid-rigging practices.

Prosecutors have questioned some executives of the contractors as witnesses, the sources said.

Nakamura, after being stripped by the Diet of his parliamentary immunity from arrest, was arrested Friday on suspicion of receiving a 10 million yen bribe from Kajima's former senior vice president, Shinji Kiyoyama, in January 1992. Kiyoyama, who is now on trial on charges of sending bribes to former Ibaraki Gov. Fujio Takeuchi, 76, was rearrested Tuesday for reportedly passing the bribe to Nakamura.

The money was allegedly intended as a reward for Nakamura exerting his influence to help block an accusation by the FTC against the cartel over the scheme to rig bids on public works projects in Saitama Prefecture. The FTC announced in May 1992 that it would not file an accusation with prosecutors, and instead ordered the contractors to stop the collusive activities.

FTC Chairman Masami Kogayu said Friday the commission was never influenced by outside forces on decisions involving cases of violating the antimonopoly law.

FTC Raids Warehouse Firms Suspected in Cartel *OW1503135694 Tokyo KYODO in English 1208 GMT 15 Mar 94*

[Text] Tokyo, March 15 KYODO—The Fair Trade Commission (FTC) raided the office of the Japan Association of Refrigerated Warehouses and about 20 warehouse companies Tuesday [15 March] for allegedly operating an unauthorized cartel, officials said. Nichirei Corp., unrivaled leader in the refrigeration warehouse industry and also No. 1 in frozen foods, and Yokohama Reito Co., the nation's second largest cold storage company, were among the firms searched by the government fair trade watchdog.

The FTC suspect the association and the companies illegally conspired in July 1992 to fix storage fees and the timing of the increase before hiking the fees from July until the end of the year in violation of the antimonopoly law.

FTC Suspects Four Dailies of Violating Law

*OW1503132594 Tokyo KYODO in English 1310 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—The Fair Trade Commission (FTC) has ordered four major newspaper companies to report why they raised subscription fees,

suspecting them of violating the Antimonopoly Law, FTC officials said Tuesday [15 March].

The ASAHI SHIMBUN and the MAINICHI SHIMBUN raised subscription fees last December and the YOMIURI SHIMBUN in January, all by 200 yen per month. The NIHON KEIZAI SHIMBUN raised its monthly subscription fee by 300 yen in February.

The FTC suspect the four major dailies colluded in increasing the fees, the officials said.

The Antimonopoly Law stipulates that a concerted price hike occurs if two of the top five firms in a sector with a market of 60 billion yen or more in which the top three firms together account for a share of more than 70 percent, raise prices of their goods within three months of each other.

FTC Orders 25 Firms To Pay for Bid Rigging

OW1403083194 Tokyo KYODO in English 0804 GMT 14 Mar 94

[Text] Tokyo, March 14 KYODO—The Fair Trade Commission (FTC) ordered 25 water supply meter equipment manufacturers Monday [14 March] to pay a 180 million yen penalty for their involvement in a bid-rigging affair, FTC officials said.

The 25 companies were found to have violated the antimonopoly law by rigging bids on orders from the Tokyo Metropolitan Government, 15 municipal and town authorities in Osaka Prefecture and 16 municipal, town and village administrations in Fukuoka Prefecture, the officials said.

Among the 25 firms were the Tokyo-based Kimmon Mfg. Co., the Nagoya-based Aichi Tokei Denki Co., the Kyoto-based Nitto Seiko Co., and OKK corp. and Toko Co., both based in Osaka.

Over the years, the 25 firms held meetings to conspire in determining who would be awarded orders from local administrations and what prices would be set on equipment.

Central Bank Reports Economic Figures for Feb

OW1403105494 Tokyo KYODO in English 1020 GMT 14 Mar 94

[Text] Tokyo, March 14 KYODO—Japan's wholesale prices fell 0.5 percent in February from the previous month, the Bank of Japan said Monday [14 March].

The overall wholesale price index came to 93.5 against the base of 100 for 1990.

On a year-to-year basis, the index slid 3.2 percent.

Domestic wholesale prices in February were unchanged from the previous month but retreated 2.0 percent from a year earlier.

Export prices for February fell 0.1 percent from the previous month on a contract currency basis and moved down 3.3 percent in yen terms.

Import prices edged up 0.8 percent on a contract currency basis but declined 2.3 percent in yen terms from January.

A Bank of Japan official said export prices on a contract currency basis fell for the first time since December 1992 as price-raising moves following the sharp appreciation of the yen against the dollar last year came to a halt.

Import prices on a contract currency basis moved up from the month before due to higher commodity prices overseas but they declined in yen terms because of the yen's appreciation, he said.

The dollar averaged 106.25 yen in the month, falling 4.8 percent from January and down 12.3 percent from a year before.

The official said domestic wholesale prices remain stable and attributed the levelling off from the previous in contrast to continued declines since last July to higher overseas commodity prices.

But commodity prices are already coming down, the official said, adding that the index is unlikely to continue moving up.

The wholesale price index for rice stood at 112.0 against the base of 100 for 1990, continuing to stay high since last autumn because of the poor harvest, the official said. The index was 102.2 in August, before it began to go up.

It remained unchanged from January, however, in spite of higher prices reported at the retail level. The statistics do not include prices of imported rice, the official said.

EPA Head Urges More State Spending on Housing

OW1503030694 Tokyo KYODO in English 0206 GMT 15 Mar 94

[Text] Tokyo, March 15 KYODO—Japan's top economic planner on Tuesday [15 March] called for more public works spending, particularly housing investment, to give an added boost to the burgeoning economic recovery.

The Japanese economy is showing some sign of pickup in such areas as housing, home electric appliances, audio equipment and autos, Manae Kubota, director general of the Economic Planning Agency (EPA), told a regular press conference.

The bud of the economic recovery should be nurtured with steps to spur personal spending, such as more housing investment and early implementation of planned tax cuts, she said.

These measures will be effective in putting the economy on a strong recovery track, she said.

EPA: Machinery Orders Rise for Third Month

*OW1503081794 Tokyo KYODO in English 0747 GMT
15 Mar 94*

[Text] Tokyo, March 15 KYODO—Machinery orders from the private sector increased in January from December, marking the third straight month of increases and reaffirming that orders have hit bottom, the Economic Planning Agency (EPA) said Tuesday [15 March].

January orders rose 1.9 percent from December to 912.7 billion yen, following a 5.3 percent increase in December and a 23.0 percent jump in November.

The January figure also marks a 0.4 percent rise from a year earlier, the first year-on-year increase in 22 months, the agency said in its monthly report.

The data exclude orders for ships and from electric power companies, which are often volatile.

An EPA official in a briefing for reporters said the January results support the agency's view that the downward trend in private machinery orders has come to an end.

The official also said the latest figures have increased the likelihood that the agency will meet its target of an 8.1 percent increase in private orders for the first quarter of 1994.

The official said, however, that results from January alone are insufficient for making an accurate prediction.

Private machinery orders, omitting volatile factors, are a leading indicator for near-term corporate spending on plants and equipment.

Including orders for ships and from electric power firms, January private-sector orders totaled 1,102.9 billion yen, down 4.5 percent from December and a 4.1 percent decrease from a year before.

Orders from manufacturers accounted for 377.9 billion yen of the total, and orders from nonmanufacturers, excluding those for ships and from power firms, came to 541.6 billion yen.

Orders placed by the public sector jumped 23.9 percent from the previous month to 387.3 billion yen, and orders from foreigners increased 31.7 percent to 542.6 billion yen.

The agency official said public-sector orders received a boost from the second supplementary budget enacted last year for the current 1993 fiscal year, ending in April. The budget increased orders for items such as garbage-disposal facilities and telecommunications equipment.

An agency hearing found that many makers expect orders from the government to remain strong at least through the end of March, the official said.

The January jump for foreign orders is "too good to be true," the official said. In the last few months foreign

orders increased only modestly, with a 0.4 percent rise in December and 0.2 percent rise in November.

The yen's decline against the U.S. dollar in January cannot fully explain the jump, the official said.

Overall, January machinery orders amounted to 2,165.4 billion yen, up 4.8 percent from December and 3.3 percent from a year earlier.

North Korea

Spokesman on Implementing Accord With U.S.

*SK1503113394 Pyongyang KCNA in English 1114
GMT 15 Mar 94*

["DPRK Foreign Ministry Spokesman on DPRK's Position on Implementation of DPRK-USA New York Agreed Conclusions"—KCNA headline]

[Text] Pyongyang, March 15 (KCNA)—If the United States finally refuse to fulfill its obligations on the steps of simultaneous action, we too will be unable to ensure further still the continuity of safeguards of the International Atomic Energy Agency restored this time and to continue the working-level contact for the exchange of special envoys between the North and the South and, furthermore, we will find ourselves in a phase in which we cannot go to the third round of DPRK-USA talks, said a spokesman for the DPRK Foreign Ministry, speaking in response to a question put by KCNA today regarding the fact that the United States has set unreasonable conditions to avoid implementing the agreed conclusions made at the DPRK-USA contact in New York.

He said:

As already reported, four immediate steps of simultaneous action for a package solution of the nuclear issue were agreed upon at the DPRK-USA contact in New York on February 25.

The contents of the agreed conclusions are suspension of "Team Spirit 94" joint military exercises, resumption of working-level contact for the exchange of special envoys between North and South of Korea, inspection by the International Atomic Energy Agency to ensure continuity of safeguards and the holding of the third round of DPRK-USA talks in Geneva on March 21. The agreement is strictly based on the principle that the DPRK and the United States must simultaneously do what they are obliged to.

After the publication of the agreed conclusions we have completely fulfilled our obligations with regard to the steps of simultaneous action.

We have accepted inspection of the seven declared sites enough for the continuity of safeguards within the time agreed upon with the IAEA, and unilaterally taken a

broad-minded and magnanimous position at the inter-Korean working-level contact, thus opening a firm prospect for the exchange of presidential envoys.

But the United States has not fulfilled its obligation concerning the steps of simultaneous action.

When the United States announced it would suspend the Team Spirit joint military maneuvers in 1994, it raised unreasonable preconditions—satisfactory inspection by the IAEA and realisation of the exchange of presidential envoys between the North and South of Korea.

Even now when the inspection by the IAEA for the continuity of safeguards has ended and several rounds of inter-Korean working-level contact have taken place, the United States persistently insists on the preconditions, saying that the inspection by the IAEA is not satisfactory and the exchange of presidential envoys between the North and South must be realised.

The IAEA itself recognizes that the recent inspection was carried out on the basis of full discussion between its inspectors' group and the operators of the DPRK's nuclear facilities and that the problems raised during the inspection were smoothly resolved under the agreement of the IAEA.

As for the exchange of presidential envoys between the North and South, it is on the verge of realisation, far more progressive than is signified in the agreement of the New York contact between the DPRK and the United States, though the agreement provides only for resumption of working-level contact. Nevertheless, the United States has insisted on unreasonable preconditions. It is unjustifiable in every respect.

It is patently contrary to the agreed conclusions reached at the New York contact between the DPRK and the United States that the United States has raised as a precondition of the talks the realisation of the exchange of special envoys between the North and the South, which is not included in the conclusions.

If the United States persistently imposes unreasonable preconditions on the DPRK, while failing to discharge its obligation concerning the steps of simultaneous action, we cannot but refrain from taking an action unilaterally.

It is clarified in the conclusions that it is necessary for the implementation of the conclusions to carry into practice every step of simultaneous action.

So, if the U.S. side failed to discharge its obligation, the conclusions would become invalid automatically.

We already stated at the New York contact that if the United States failed to fulfill its obligation, we will consider the DPRK-U.S. talks to have been foiled and take appropriate steps.

The future developments depend on the U.S. attitude.

South's 'Delay' in Envoy Exchange Denounced

*SK1503043894 Pyongyang KCNA in English 0424
GMT 15 Mar 94*

[“South Side Must Show Sincerity in Discussing Exchange of Special Envoys”—KCNA headline]

[Text] Pyongyang, March 15 (KCNA)—A NODONG SINMUN analyst today hits out at the attempt of the South Korean authorities to use the question of exchange of special envoys as an expedient to attain their sinister political aims.

The analyst says:

The South side said it had no objection to the proposed early exchange of special envoys, yet it took exception to announcing the agreement on it in a joint communique. It also refused to accept the North side's reasonable proposal on the mission of special envoys, including the question of the North and the South observing the principle of national independence. This is a mockery of the fellow countrymen and an act utterly lacking faith as a dialogue partner.

What the South side really seeks is to drag on the working-level contact for an indefinite period and delay the exchange of special envoys between the North and the South and thereby to cast a shadow on the soon-to-be-held third round of DPRK-USA talks.

It is an unjustifiable anti-national criminal act for the very one who is blocking an early exchange of special envoys to create an obstacle in the way of the third round of DPRK-USA talks by laying the blame for the failure of exchange of special envoys at the other's door.

The South side must bear in mind that a good opportunity does not present itself any time and stop playing tricks to block the exchange of special envoys. And it must effect a fundamental switchover so that the agreement may be finalized without fail at the next contact.

We will watch the South side's attitude hereafter.

CPRF Issues Statement on 12 Mar N-S Contact

*SK1503102294 Pyongyang Korean Central
Broadcasting Network in Korean 0800 GMT 15 Mar 94*

[Press statement issued by the spokesman of the Committee for the Peaceful Reunification of the Fatherland, CPRF, on 15 March—read by announcer]

[Text] Recently, a working-level delegates contact was held on several occasions for the exchange of top-level special envoys of the North and South. However, no reasonable [ungdanghan] results have been produced due to the South side's unreasonable acts. In this connection, the spokesman of the Committee for the Peaceful Reunification of the Fatherland issued the following press statement [tamhwa] on 15 March.

Press statement issued by the spokesman of the CPRF:

Recently, working-level delegates contacts for the exchange of top-level special envoys of the North and South, which was suspended in October of last year, were held on several occasions at Panmunjom. A series of progress has been made in the contacts, but no reasonable results have been produced yet. We can view that this is wholly attributed to the unreasonable acts of the South Korean authorities who are creating a barrier before the exchange of special envoys and who do not welcome the early settlement of the exchange of special envoys.

As already known, at the sixth working-level delegates' contact held on 12 March, our side showed a broad-minded and tolerant position regarding the four demands that we justly presented. As one of the new measures to realize the exchange of special envoys between the two sides as soon as possible, we put forth constructive proposals that we inform the people at home and abroad in the form of a joint communique that the two sides have reconfirmed their intention for the exchange of special envoys and have agreed to the exchange of special envoys as soon as possible, and that at the same time the two sides sincerely discuss and bring to a conclusion the draft agreement on procedural matters presented by each side.

This kind of epoch-making measure not only gives the condition to all the more achieve, ahead of schedule, the exchange of special envoys, it also gives hope to all the people who are worried about the future of the exchange of special envoys. Moreover, it creates a significant opportunity which provides a turning point in the new beginning of North-South relations.

If the South Korean authorities truly want to realize the exchange of top-level special envoys of the North and the South from the position of dissolving today's acute confrontational situation and achieve, ahead of schedule, reunification in the nineties, they must rightly show a positive response to our rational and patriotic initiative.

Nevertheless, in the 12 March contact, while making remarks, the South side acted if it had interest in the exchange of special envoys, but it showed a negative attitude in putting it into practical action and rejected our constructive proposal.

This kind of attitude by the South Korean authorities on the exchange of special envoys is giving disappointment to the people at home and abroad who are watching over the Panmunjom working-level delegates contacts. As already known, we proposed the exchange of special envoys of the North and South first. This is the best way to smoothly and quickly discuss and resolve pending issues between the North and South including the issue of the denuclearization of the Korean peninsula, and the nation's grave matters for the country's peace and peaceful reunification through the top-level political determination and under the principle of national independence and great national unity.

When the top-level special envoys of the North and the South travel between Pyongyang and Seoul and historic top-level North-South talks ensue, it will be no doubt that an epochal turning point will be made in North-South relations and a decisive stage will open in achieving the nation's ultimate goal of reunification in the nineties.

This is why we initiatively raised the exchange of the top-level special envoys of the North and the South, which the South side could never have imagined, prepared for working-level delegates' contacts in Panmunjom, and exerted every effort to smoothly open the road for the two sides' special envoys to visit Pyongyang and Seoul.

The reason our side demanded the South side suspend all of its large-scale nuclear war exercises against fellow countrymen, stop talking about an international alliance system against us for the nonexistent nuclear issue, cancel the plan to introduce new arms—including Patriot missiles, and clearly show an attitude to retract the remarks that it cannot shake hands with those who have nuclear weapons, was to successfully realize the exchange of the top-level special envoys of the North and the South without twists and turns in conformity with their primordial missions.

Our demands, which are truly just in terms of the nation's craving and of the lessons from past North-South dialogues, received active support from public opinion at home and abroad and even won sympathy from many people in South Korea.

Because the exchange of North and South special envoys is a precondition of the two sides' top-level talks and the missions of the special envoys are urgent and important for the sake of the country and the nation, it has become an inevitable prerequisite to remove the obstacles blocking the achievement of the exchange.

Nevertheless, the South side avoided expressing a clear attitude toward our just proposal, thus casting a shadow on the future of the special envoy exchange, which after much effort had been finally scheduled, and jeopardized its destiny.

At such a time, to break through the difficulty laid in front of the special envoy exchange, our side evaluated and analyzed what the South side said in the sixth working-level contact held on 12 March: that the issues of discontinuing all large-scale nuclear war exercises and abandoning the international alliance system could be discussed after the special envoys are exchanged in the future; that although conditionally, it decided to suspend Team Spirit '94 joint military exercise some time ago and withheld the plan to introduce Patriot missiles; and that regarding the remarks that it cannot shake hands with those who have nuclear weapons, the situation is now changed because there is no intelligence which shows the North has developed nuclear weapons. Based on this, we believed that although not sufficient, such a

position is an expression of the South side's understanding of the feasibility of our four-point proposal. Bearing this in mind, we proposed to proclaim at home and abroad that the two sides reconfirmed their will to exchange special envoys and agreed to exchange special envoys at the earliest possible date.

Our side's broad-minded measure and constructive proposal is just in every respect and is a manifestation of an active position on the exchange of special envoys. However, when viewing that the South side is not accepting the issue of releasing the joint communique without any reasonable reason, we cannot but doubt whether they truly have the will for the exchange of special envoys and whether they will actually carry out the exchange of special envoys.

Also, even while discussing the procedural matters for the exchange of special envoys, the South side assumed the attitude that it cannot accept the issue of easing tension, the issue of great national unity, the issue of settling the method for the fatherland's reunification, and the issue of abiding by the principle of national independence which our side put forth in regulating the duties of the special envoys. It is nothing but clear that rather than bringing about fruitions in the exchange of special envoys, the South side is trying to make the working-level delegates' contact only as a show off.

As such, the South side opposed the issuing of the joint communique that the two sides of the North and South agreed for the exchange of special envoys, and even opposed including the fundamental and principle problems in regulating the duties of the special envoys. Therefore, this creates an artificial barrier in the exchange of special envoys, and furthermore the South side is carrying out acts of intentionally putting the breaks on the third round DPRK-U.S. talks.

While acting as such, the South side is intent on making nonsense by saying that the exchange of special envoys is a precondition for the third round of DPRK-U.S. talks and that the exchange of special envoys must be achieved before 21 March, the date for the third round of DPRK-U.S. talks.

In the third clause of the agreement of the DPRK-U.S. New York contact which was concluded on 25 February, it only specifies that the working-level delegates' contact shall be resumed for the exchange of special envoys of the North and South. No other items were specified. There can be no other explanation for this and moreover, the South Korean authorities have no justification to come forth with any kind of condition by interfering in the process of explaining this problem.

Our side resumed the working-level delegates' contact for the exchange of special envoys at Panmunjom, and it was already held on three occasions. Moreover, our side assumed a broad-minded position to draw the contact to the doors [munhogu] of the exchange of special envoys.

This is being viewed as having progressed the contact even more so than the content of the DPRK-U.S. joint agreement.

Even so, the South Korean authorities ignored our sincerity and positivism and even put forth unreasonable preconditions which do not even fall within their authority, and made distorted false charges. Also, for them to say that they cannot issue a joint communique on the exchange of special envoys is in reality to dissipate the exchange of top-level special envoys of the North and South itself, and this cannot but be interpreted as an act of putting a wet blanket over the third round of DPRK-U.S. talks.

We claim that if the South Korean authorities truly have the will to improve North-South relations and discuss and resolve with us all pending issues between the North and South including denuclearization, they must correctly show the will for the exchange of special envoys which all the people can understand, and make a resolute decision on accepting our side's proposal on procedural matters.

We will continue to watch over the attitude of the South Korean authorities.

KCNA Reports Departure of IAEA Inspectors

SK1503044094 Pyongyang KCNA in English 0431 GMT 15 Mar 94

[Text] Pyongyang, March 15 (KCNA)—A group of inspectors of the International Atomic Energy Agency (IAEA) left here today [15 March] by air after visiting Korea for an inspection to ensure continuity of safeguards according to the agreement between the DPRK and the United States.

11 Mar U.S.-ROK 'War Exercise' Reported

SK1303083994 Pyongyang KCNA in English 0809 GMT 13 Mar 94

[Text] Pyongyang, March 13 (KCNA)—The U.S. imperialists on March 11 staged a war exercise targeted against the North in the sky above Kunwi, Yaju and Sangdong, South Korea, with the mobilisation of formations of Pacific-based assault planes and above 400 fighter-bombers, observation planes and reconnaissance planes belonging to the U.S. Air Force present in South Korea and the puppet Air Force, according to military sources.

On the same day, armed bandits of the puppet Army in Yonchon County and Paju County, Kyonggi Province, and Chorwon County and Inje County, South Korean Kangwon Province, fired at random large-calibre machine gun and automatic rifles toward the Demilitarized Zone along the Military Demarcation Line, thus whipping up war hysterics.

Foreign Ministry Memorandum Distributed at UN

SK1303082594 Pyongyang KCNA in English 0803 GMT 13 Mar 94

[Text] Pyongyang, March 13 (KCNA)—A memorandum of the Foreign Ministry of the Democratic People's Republic of Korea dated February 18 exposing nuclear development by the South Korean authorities was distributed as a document of the United Nations General Assembly, 4p/80, and a document of the U.N. Security Council, 1994/204, on February 24.

Commentaries Urge South To Abolish Security Law

NODONG SINMUN Analyst Quoted

SK1403054394 Pyongyang KCNA in English 0501 GMT 14 Mar 94

["'National Security Law' Must Be Scrapped"—KCNA headline]

[Text] Pyongyang, March 14 (KCNA)—A NODONG SINMUN analyst today urges the abolition of the ill-famed "National Security Law" [NSL] in South Korea, saying it is natural that voices calling for the abolition of the anti-reunification fascist law are growing louder after the United States recently manifested its official position that the "NSL" must be repealed.

The news analyst goes on:

The "NSL" is an anti-national, anti-reunification evil law that denies reunification, blocks dialogue and opposes improvement of North-South relations.

The Kim Yong-sam puppet group, however, is trying hard to avoid repealing the "NSL", turning a deaf ear to the strong demand of the people at home and abroad. This vividly reveals its despicable intention to maintain the notorious "NSL" and continue seeking North-South confrontation and further strengthen the "civilian" fascist dictatorship.

The Kim Yong-sam clique of traitors said they would "reexamine" the question of repealing the "NSL" when "North-South relations have been improved", while maintaining such anti-reunification evil law as the "NSL" and putting the brakes on dialogue and reunification in every way. This virtually means that they do not intend to scrap the "NSL".

The ill-famed "NSL" in South Korea must be scrapped without delay. Otherwise, the "civilian" regime will inevitably bump into stronger protests of the people and meet its disgraceful end.

Radio Commentator Writes

SK1503020394 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 12 Mar 94

[Commentary by Chong Pong-kil: "A Pressing Demand of Time"]

[Text] The South Korean people, human rights organizations of many countries, and international organizations are raising their voice demanding the abolition of the South Korean puppets' National Security Law.

According to Seoul radio, in a meeting of the UN Human Rights Committee recently held in Geneva, many human rights organizations urged South Korea to abolish the National Security Law.

In the meeting, a U.S. human rights organization exposed that illegal confiscations by invoking the National Security Law have yet to be rooted out in South Korea, even under the so-called civilian government, and demanded that the UN Human Rights Committee investigate human rights infringements in South Korea.

Denouncing South Korea for still repressing the students movement and imposing evil sentences by invoking the National Security Law, the World Students' Christian Federation strongly demanded in the meeting that the puppet authorities release all prisoners of conscience.

On 8 March, a spokesman for the South Korean opposition Democratic Party released a commentary expressing strong dissatisfaction at the Kim Yong-sam puppet clique's brake on the abolition of the National Security Law, an antireunification fascist evil law, and stressing that the party will push ahead with the movement for the abolition of the National Security Law to the end.

This party's position of strongly demanding the abolition of the National Security Law was also expressed in a news conference held by the party representative on 5 March. On the same day, the Hong Kong branch of Amnesty International issued a statement and said that it would carry out a movement of sending protest postcards to the puppet authorities to protect human rights of prisoners of conscience in South Korea. The Amnesty International branch also demanded that the puppet authorities release figures arrested on charges of violating the National Security Law.

These facts show that the abolition of South Korea's National Security Law is unvaryingly demanded not only by the South Korean people but also by the people of the world and that this is the most pressing issue that can be no longer delayed.

As everybody knows, the so-called National Security Law of South Korea is an old remnant of the military fascist dictatorship and an evil, antireunification and fascist law that is the most savage and malicious in the world.

The National Security Law defines us fellow countrymen as an antistate body and enemy, so that those who support and admire us or even mention a word regarding the fatherland's reunification are subject to punishment, and so that the just struggle by youth, students, and people for the independence and democracy of South Korean society become an object of oppression.

Tens of thousands of youth, students, and people have been punished for carrying out the just struggle of demanding independence, democracy, and reunification. Countless numbers of people died on the scaffold. Today, many prisoners behind bars with long-term sentences suffer inhumane torture in South Korea.

It is no accident that the Amnesty International pointed out on 9 March that South Korean incarcerates prisoners for longer terms than any place in the world, such as Kim Son-myong and An Hak-sam, who have been confined in jail since the Korean war.

Moreover, even with a civilian mask, the Kim Yong-sam puppet regime not only maintain the National Security Law but also abuse it to oppress with more cruelty the South Korean people's just struggle for independence, democracy, and the reunification, to block North-South dialogue, and to amplify confrontation, not reconciliation or unity between the North and the South.

Last year, the Kim Yong-sam groups blocked dialogue between youth, students, and people of the North and South—including the meeting between youth and students of the North and South in Panmunjom on 12 June and the Fourth Pannational Rally—by applying the National Security Law. Even this year, it blocked representatives of the Chondoist religion in the North and South from holding a working-level contact in Panmunjom to discuss joint celebration of the 100th anniversary of the peasant war in 1894. Also, it has indiscriminately suppressed South Korean youth, students, and people who want to hold dialogue with us.

All these facts prove that the South Korean people cannot enjoy their democratic freedom and rights nor achieve their social independence and national reunification because of the existing National Security Law. Therefore, the South Korean people and the people throughout the world have strongly called for the abolition of the National Security Law, an evil antireunification, fascist law, which cannot be found anywhere else in the world.

Amnesty International has exposed and denounced the acts of the South Korean puppets who are viciously infringing upon their people's human rights without abolishing the National Security Law. However, the South Korean puppets will say that they regret hearing Amnesty International's denouncement and will find an excuse.

Such acts by the South Korean puppets show that they will continue to brutally suppress the patriotic people in South Korea without abolishing the National Security

Law. Therefore, their acts are unforgivable and become challenges to the voices of the people at home and abroad who call for the abolition of the National Security Law

If the Kim Yong-sam groups fail to listen to the voices of the people at home and abroad—which have reflected the demands of the times—but instead continue to embark upon the road of betrayal, they will not avoid a greater denouncement from the people.

The Kim Yong-sam groups must clearly see the trends of the times and immediately abolish the National Security Law as demanded by the people.

SKNDF Urges ROK To Abolish Security Law

*SK1403051894 Pyongyang KCNA in English 0457
GMT 14 Mar 94*

[Text] Pyongyang, March 14 (KCNA)—A spokesman for the Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) released a statement on March 10 urging the Kim Yong-sam group to abolish the "National Security Law" [NSL] and step down from power, the Seoul-based radio Voice of National Salvation reported.

Recalling that U.S. State Secretary Christopher finally confirmed that the demand for the abrogation of the "NSL" in South Korea was an official position of the United States, the spokesman said:

As the whole world admits, the "NSL" is an anti-democratic, anti-national and anti-reunification fascist law unprecedented in the world history of legislation.

It is due to this cursed, murderous law that many champions of democracy and reunification and patriotic people of various social strata have suffered behind bars and the dialogue, cooperation and exchange between the North and the South have been blocked.

The "NSL" is, indeed, a means for maintaining the fascist system and prolonging their days in power, which is worse by far than the Japanese imperialists' "Public Peace Law" and is an obstacle to great national unity and the country's reunification.

The Kim Yong-sam group is now scheming to keep the "NSL" intact, discontented with the demand for its abolition. This clearly shows that "democratization," "improvement of North-South relations" and "resumption of dialogue" which the Kim Yong-sam group is crying for are all lies and it, in actuality, wants neither the democratization of the South Korean society nor reconciliation and dialogue between the North and the South.

Amnesty Report on Rights in ROK Viewed

*SK1303084494 Pyongyang KCNA in English 0833
GMT 13 Mar 94*

["Deserved Denunciation of 'Civilian Fascists'"—
KCNA headline]

[Text] Pyongyang, March 13 (KCNA)—The report of the Amnesty International exposing human rights violations in South Korea is a stern condemnation and indictment against the strong-arm rule and fascist suppression by the Kim Yong-sam group under the veil of "civilian regime" and "reform", says MINJU CHOSON today.

When he took office, Kim Yong-sam made a noisy advertisement as if he would bring something like "reforms" and "changes", but nothing has changed, the analyst says, and continues:

He has only inherited the ruling system of the preceding dictators, more harshly suppressed the people with physical strength and made all social evils prevail.

The Kim Yong-sam group is now deeply vexed, expressing "regret" at the report of the Amnesty International noting that the human rights situation has not improved in South Korea.

The denunciation of the Kim Yong-sam group by the international community is a result of its crimes. It deserves that.

The Kim Yong-sam clique must step down before it faces greater denunciation from the South Korean people and the international community.

ROK Group Forms To Oppose Market Opening

*SK1303084094 Pyongyang KCNA in English 0810
GMT 13 Mar 94*

[Text] Pyongyang, March 13 (KCNA)—Civilian organisations numbering 195 in South Korea met in Seoul on March 10 and inaugurated the "headquarters of all-people movement for defending our agriculture", according to a report.

The headquarters resolved to curb the "parliamentary endorsement" of agricultural market opening by the Kim Yong-sam group and launch a boycott against imported agricultural products.

Group Proposes N-S Body To Monitor ROK Dumping

*SK1403112794 Pyongyang KCNA in English 1037
GMT 14 Mar 94*

[Text] Pyongyang, March 14 (KCNA)—The Korean Anti-Nuke Peace Committee and the Central Committee of the Korean Environmental Conservation Union proposed that the anti-nuke, environmental organisations of the North and the South conduct joint survey and monitoring activities at an early date to probe the very

truth behind the nuclear waste dumping by the South Korean authorities and check it.

This proposal was made in a letter sent today to the Alliance of the Anti-Nuke Peace Movement, the Alliance of the Environmental Movement and the Civic Federation for Economic Justice of South Korea.

Noting that the South Korean authorities had dumped 11,000 trillion becquerels of nuclear waste into the sea in the 1986-92 period, the letter goes on:

"Such nuclear waste dumping by the South Korean authorities is a crude breach of the international conventions on protection and conservation of the sea environment and an anti-national, anti-human crime inflicting immeasurable disasters on our nation and mankind.

"The random dumping of nuclear waste by South Korea vividly shows how far the South Korean authorities have gone in developing nuclear arms while crying over 'suspected nuclear programme of the North.'

"It is entirely natural that in South Korea environmental organisations, people and broad public circles took issue with the authorities' criminal dumping of nuclear waste and have risen in a struggle against it.

"We hope your organisations will turn out more courageously in the just struggle in the future to check the South Korean authorities' criminal nuclear waste dumping and nuclear arms development."

Koreans in Japan Denounce Waste Dumping

*SK1303084394 Pyongyang KCNA in English 0830
GMT 13 Mar 94*

[Text] Tokyo, March 11 (KNS-KCNA)—The Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) released a statement on March 11 denouncing the criminal act of the South Korean authorities in dumping nuclear waste in the East Sea of Korea at random.

The statement branded the nuclear waste dumping by the Kim Yong-sam clique as the heaviest anti-national crime of turning Korea into a barren land polluted with nuclear substances and cutting off the lifeline of the nation and as a wanton violation of international law and convention.

The statement further said:

The traitorous Kim Yong-sam group which, while developing nuclear weapons under the "nuclear umbrella" of the United States, had cried for "an international cooperation system" and "a military countermeasure" and now, even at the working contact for the exchange of special envoys between the two parts of Korea, is reversing the black and white, raising a row over the "nuclear issue". This is outrageous, indeed.

To make the matter worse, the traitor Kim Yong-sam plans to visit Japan a few days later and have a confab

for a more vicious smear campaign against the DPRK and Chongnyon. This will be a criminal mendicant trip designed to balk the projected third round of DPRK-U.S. talks at any cost in conspiracy with outside forces and continue to do harm to the DPRK.

The Kim Yong-sam clique has been hell bent on flunkeyist treachery, fascism, confrontation with the North and splittist moves and, as if it were not enough, is now unhesitatingly dumping radioactive waste. This is a criminal act which can be committed only by them who are clean indifferent to the nation and international law.

The South Korean rulers must stop the criminal nuclear waste dumping at once, disclose its truth and apologize to the whole nation.

We strongly demand that the Kim Yong-sam regime immediately give up the anti-reunification and anti-national moves to kill fellow countrymen in reliance upon outside forces, scrap the "National Security Law" and unconditionally stop the fascist suppression of the South Korean people.

Hata Remark Seen as Notice of Nuclear Plans

SK1503120894 Pyongyang Korean Central Broadcasting Network in Korean 0833 GMT 15 Mar 94

[Commentary: "Where Is Japan Leading the Situation To?"]

[Text] The Japanese authorities are blocking the denuclearization of the Korean peninsula. Recently, Japanese Foreign Minister Hata unprecedentedly picked on us by raving that we are going to produce nuclear weapons, that we are suspected of possessing one or two nuclear bombs, and that if North Korea refuses inspections again, or takes a vacillating attitude, or uses the nuclear card in a strange manner, Japan will take a staunch countermeasure within the boundary of the constitution.

We cannot but take it seriously because Japan's top diplomatic authority personally came out to make such remarks. The Japanese foreign minister's remarks, which were made at a time when Japan's nuclear armament has actually reached a danger line and the Japanese reactionaries are seeking a legitimate pretext for nuclear armament, are in fact no different from an official announcement that Japan will openly proceed with nuclear armament.

The problem is serious because Japan's nuclear armament is one of decisive obstacles that block the denuclearization of the Korean peninsula. For the denuclearization of the Korean peninsula to become truly meaningful, it has to be able to guarantee peace and security of the region. However, under the condition that Japan's nuclear armament is becoming dangerous in actuality, even if the Korean peninsula is denuclearized, it will be useless being not able to guarantee peace and security of the region.

Particularly, Japan's attempt to legalize the nuclear armament is bringing about a crisis of invalidating the Joint Declaration of Denuclearization between the North and the South. The objectives of the Joint Declaration of Denuclearization between the North and the South are to remove the risk of a nuclear war by denuclearizing the Korean peninsula, to form a favorable condition and environment for our country's peace and peaceful reunification, and to contribute to peace and security of Asia and the world.

Japan's nuclear armament is bringing about an opposite result. Japan's nuclear armament is aggravating the nuclear threat on the Korean peninsula and forming a situation of tension.

Since long ago, we have felt that the Joint Declaration of Denuclearization between the North and the South is useless as long as Japan's nuclear armament attempt is not withdrawn. The more Japanese authorities take issue with our nuclear issue in an attempt to legalize their nuclear armament, the stronger such a feeling grows.

Because of this, we cannot but raise the question whether or not the Joint Declaration of Denuclearization between the North and the South is necessary. Judging from all these, we may face a situation of having no choice but to reconsider our position regarding the denuclearization of the Korean peninsula. [urinun choson pandoui pihaekhwae taehan chagiui ipchangul chaegoryo haji anulsu omnun chongse-e chohage toelsudo isumnida]

If this happens, the situation will flare to an unpredictable one and this will not benefit the United States and South Korea either. The Japanese authorities should take all the responsibilities. The Japanese authorities should carefully think about the dear price their remarks and behavior have to pay and act with discretion.

Daily Warns Japan To 'Act Prudently'; Cites Hata

SK1503044694 Pyongyang KCNA in English 0430 GMT 15 Mar 94

["Japan Warned Not To Impede Denuclearization of Korean Peninsula"—KCNA headline]

[Text] Pyongyang, March 15 (KCNA)—MINJU CHOSON today warns that the Japanese authorities must act prudently, mindful that their ill-intentioned words and deeds might cause unpredictable grave consequences.

The news analyst says:

Recently the Japanese Foreign Minister, Tsutomu Hata raved that if the DPRK "refuses again to accept inspection or takes an irresolute attitude," Japan would "sternly counter it," alleging that the DPRK "is going to make nuclear weapons" and "is suspected of having one or two nuclear bombs."

His outburst came at a time when the DPRK and the United States have agreed on immediate steps of simultaneous action and the third round of talks between them is soon to be held. This shows the Japanese reactionaries intend to attain at any cost their sinister purpose of accelerating their nuclear armament on the pretext of the "nuclear issue" of the DPRK.

Japan's nuclear armament and overseas aggrandizement have reached a serious danger line.

Japan has stockpiled a colossal amount of nuclear material and laid a material and technical foundation for the manufacture of nuclear weapons.

With Japan's nuclear armament presenting a nuclear threat in actuality, the denuclearization of the Korean peninsula cannot be realised, and even if it is realised, it cannot ensure peace and security in this part of the world.

Judging from facts, we conclude that however hard we may strive to denuclearize the Korean peninsula, it cannot be realised and, accordingly, the inter-Korean joint declaration on denuclearization might be reduced to a mere sheet of paper.

Then we will have to reconsider our position toward the denuclearization of the Korean peninsula and the inter-Korean joint declaration will have to be nullified.

In case the Japanese authorities' rash remarks worsen the problem, Japan will be wholly to blame for it.

The Japanese authorities will have to account for their each word and deed and dearly pay for it.

KPA Delegation Returns From PRC 11 Mar

*SK1403015294 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 11 Mar 94*

[Text] A delegation of Korean People's Army [KPA] functionaries in charge of foreign affairs returned home by train on 11 March after visiting China.

Kim Il-song Receives Cuban Ambassador's Credentials

*SK1403113994 Pyongyang KCNA in English 1040
GMT 14 Mar 94*

[Text] Pyongyang, March 14 (KCNA)—Jose Ramon Rodriguez Varona, new Cuban Ambassador E.P. [extraordinary and plenipotentiary] to Korea, today presented his credentials to the great leader President Kim Il-song.

Present at the presentation ceremony were Vice Premier and Foreign Minister Kim Yong-nam and officials of the Cuban Embassy in Pyongyang.

President Kim Il-song received credentials before conversing with the ambassador.

Film Show Marks Anniversary of Castro's Visit

*SK1403020794 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 8 Mar 94*

[Text] A film show was held on 7 March at the DPRK Embassy in Cuba to mark the eighth anniversary of the visit to the DPRK by Comrade Fidel Castro, first secretary of the Communist Party of Cuba [PCC] Central Committee and president of the Councils of State and Ministers of the Republic of Cuba.

PCC Central Committee members Jesus Montane, political affairs adviser to the supreme commander, and Pedro M. Perez Betancourt, vice minister of the Revolutionary Armed Forces and Naval commander; Nicolas Rodriguez, vice foreign minister; Alberto Rodriguez, general arbitrator of the International Affairs Department of the PCC Central Committee; Candelaria Rodriguez, woman lawyer; and other political and social figures were invited to the film show.

Kim Song-yong, DPRK ambassador to Cuba, and embassy employees also took part in the film show.

The DPRK film "The 40th Anniversary of the Victory of the Great Fatherland Liberation War" was shown and was followed by a small banquet. Participants of the banquet toasted for the long life of the great leader Comrade Kim Il-song; the dear leader Comrade Kim Chong-il; and Comrade Fidel Castro, the supreme leader of the Cuban revolution.

SRV Party Secretary Receives WPK Delegation

*SK1503020294 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 11 Mar 94*

[Text] On 9 March, Do Muoi, general secretary of the Vietnamese Communist Party [CPV] Central Committee, received a delegation of the Workers' Party of Korea [WPK] headed by Hwang Chang-yop, secretary of the WPK Central Committee.

At the meeting, the head of the delegation conveyed greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to General Secretary Do Muoi. Expressing deep thanks for this, the general secretary asked the head of the delegation to convey his sincere and warm greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

The General Secretary said that the CPV will make efforts to strengthen forever the friendship between the two parties, which was originated by Comrade Ho Chi Minh and Comrade President Kim Il-song.

He said that the CPV will always support the WPK's policy of and struggle for national reunification. He stressed that the WPK's reunification policy based on a confederal system is the most reasonable method.

He pointed out that the Vietnamese party and people always remember the precious support extended by the

WPK and Korean people for the Vietnamese people's struggle for independence and socialism.

Education Official Departs for Egypt, Syria

*SK1403113894 Pyongyang KCNA in English 1039
GMT 14 Mar 94*

[Text] Pyongyang, March 14 (KCNA)—Chairman of the State Educational Commission Choe Ki-yong, a special envoy of the great leader President Kim Il-song left here today to visit Egypt and Syria.

He was seen off at Pyongyang Railway Station by Vice-Minister of Foreign Affairs Yi Won-kuk, Egyptian Ambassador to Korea Ali Hijazi and Syrian Ambassador to Korea Yasir Farah.

Mozambican Committee on U.S.-DPRK Agreements

*SK1403234894 Pyongyang KCNA in English 1503
GMT 14 Mar 94*

[Text] Pyongyang, March 14 (KCNA)—The Mozambican Committee for Friendship With the People of the Democratic People's Republic of Korea in a recent statement strongly demanded that the United States thoroughly implement the agreed conclusions reached at the DPRK-U.S. contact. The statement expressed joy over an affirmative agreement at a recent DPRK-U.S. contact.

Noting that the United States has continued to aggravate the situation on the Korean peninsula, it said that the point is what stand and attitude the United States takes to implement the agreed conclusions reached at the DPRK-U.S. contact in the future.

The statement said:

If the United States sincerely implement the agreed conclusions, a peaceful solution of the nuclear issue on the Korean peninsula would be smooth, and if the United States do not implement what it should do under an unreasonable pretext, it would be complicated.

The United States, which is directly responsible for a peaceful solution to the nuclear issue on the Korean peninsula, must no longer disgrace itself.

Indian Journalists Adopt Letter to Kim Chong-il

*SK1303082394 Pyongyang KCNA in English 0802
GMT 13 Mar 94*

[Text] Pyongyang, March 13 (KCNA)—A letter to the dear leader Comrade Kim Chong-il was adopted at an Indian national seminar of journalists on the chuche idea and the role of mass communication in the era of independence which was held in New Delhi.

The letter says that Indian journalists held the seminar on the occasion of the 20th anniversary of the proclamation of the programme of modeling the whole society on

the chuche idea by Comrade Kim Chong-il in the Democratic People's Republic of Korea.

It further says:

Your excellency, an outstanding theoretician, broke a new ground in the ideological and theoretical development in the era of independence and has performed great exploits by formulating the revolutionary idea of the great leader his excellency President Kim Il-song as an integral system of idea, theory and method of chuche and further developing and enriching it.

Your excellency, a great statesman in our times, have won deep respect and reverence of the world people by lighting the way ahead of mankind like a beacon with your most scientific insight into and wise analysis of the present international situation and international relations.

The Indian journalists will lift up louder voices supporting the just cause of the Korean people and Korea's reunification and always advance side by side with the Korean journalists in the way of accomplishing the just cause in the future.

The letter wishes Comrade Kim Chong-il a long life in good health.

Foreign Leaders Comment on Reunification Issue

*SK1303082694 Pyongyang KCNA in English 0806
GMT 13 Mar 94*

[Text] Pyongyang, March 13 (KCNA)—Leaders of different countries referred to the question of Korean reunification when they received DPRK ambassadors.

John Samuel Malecela, prime minister of Tanzania, said that the question of Korean reunification must be solved entirely by the efforts of the Korean people themselves and that Tanzania would support the stand of the Democratic People's Republic of Korea for the country's reunification.

Anatole Kanyenkiko, prime minister of Burundi, said that the 10-point program of the great unity of the whole nation and formula of reunification through confederacy put forward by the great leader President Kim Il-song are peace-loving and patriotic proposals to reunify the split country and unite the divided compatriots into one through dialogue, not confrontation, and by peaceful means, nor war.

Anerood Jugnauth, prime minister of Mauritius, said he supported the Korean people's efforts to reunify the country by peaceful means and expressed the hope that the nuclear issue on the Korean peninsula would be resolved peacefully.

Regulations for Offices of Foreign Businesses

*SK1503105994 Pyongyang KCNA in English 1030
GMT 15 Mar 94*

["Regulations on Resident Representative Offices of Foreign Business in Free Economic and Trade Zone"—KCNA headline]

[Text] Pyongyang, March 15 (KCNA)—The regulations on resident representative offices of foreign business in free economic and trade zone have been enacted in the Democratic People's Republic of Korea.

The regulations were approved as decision No. 8 of the Administration Council, dated February 21.

The regulations read:

Regulations on Resident Representative Offices of Foreign Business in the Free Economic and Trade Zone

Article 1. These regulations, subject to the "Law of the DPRK on Free Economic and Trade Zone", are formulated to govern the establishment of resident representative offices of the foreign business and of the proper order in their practice.

Article 2. Subject to the these regulations, resident representative offices of the foreign business (hereinafter referred to as representative offices) shall be opened and operated. Koreans residing outside the territory of the DPRK may also open and operate representative offices according to these regulations.

Article 3. Representative offices can be established in the free economic and trade zone. Representative offices include missions, agencies or travelling agencies.

Article 4. The term of residence is up to 3 years and the number of officers shall not exceed 5. The officers of the representative office include the senior representative and other representatives but exclude administrative and technical staffs like interpreters, typewriters, bookkeepers and welfare men, and service personnel like drivers and watchmen.

Article 5. Representative offices shall carry out service-related activities such as liaison, consultation and dissemination of economic and technical informations related to transactions of the foreign business (hereinafter referred to as a parent business) and may engage in agent activities by entering into contracts with clients and by making payments and deliveries of goods along the line authorized by the parent business.

In such a case, representative offices are required to submit the letter of authorization signed by the parent business to the provincial administrative and economic committee (hereinafter referred to as the zone authority) and have it approved.

Article 6. Representative offices are not allowed to engage in profit-making activities such as importing goods from foreign countries for the third country trade

or entrusted sale, and exporting goods sourced in the DPRK which are not authorized by the parent business. In case any agreement is entered into upon representative offices between the government of the DPRK and the government of other country, the representative offices concerned can align their activities therewith.

Article 7. Representative offices shall prepare applications for establishment, registration, alternation and renewal in both the Korean and foreign languages.

Article 8. Representative offices are duty-bound to respect and abide by laws and regulations of the DPRK.

Article 9. Legitimate rights and interests of representative offices shall be legally protected by the government of the DPRK.

Article 10. Where a foreign business opens a representative office, it shall submit the application signed by the person in charge to the State External Economic Affairs Commission (or to the Central Bank in case of a Foreign Financial Institution) through the zone authority. The application shall contain the names of both the parent business concerned and its representative office, the name of the senior representative, the number and names of representatives, the place of location, the range of their activities and the term of residence, and shall be accompanied by a copy of the certificate of registration issued by the authority concerned of the area or the country in which the parent business is headquartered or a letter of credit-worthiness issued by the bank in dealership and the letters of accreditation and the portfolios for the proposed senior representative and other representatives.

In addition to above-mentioned particulars, the application by a foreign financial institution shall include the financial statement of the recent period, the profit-and-loss account, the articles of association, the list of directors of the parent business.

Article 11. The State External Economic Affairs Commission or the Central Bank of the DPRK (hereinafter referred to as the screening body) shall, in consultation with other bodies concerned, screen and approve or disapprove the application within 30 days from the date of its receipt.

Article 12. The screening body shall deliver the letter of approval to the zone authority within 10 days from the date of the approval given.

Article 13. Representative offices shall apply to the zone authority for registration in 20 days from the date of the receipt of the letter of approval.

The application for registration shall specify the content of the application for establishment and shall be accompanied by the letter of approval.

Article 14. The zone authority shall register representative offices and issue the certificates of registration and the certificates of resident representatives.

The day on which the representative office is registered shall be considered as the day of its establishment.

Article 15. The officers of representative offices and their families shall register for residence in accordance with the regulations on residence of foreigners, shall have the certificate of residence or the certificate of resident foreigner issued and should abide strictly by the regulations related to entry and exit of foreigners for the free economic and trade zone.

Article 16. Both of the certificate of registration and the certificate of representative shall be valid for one year.

Representative offices and their officers shall cause certificates of representative and registration to be reissued by the zone authority 15 days before the expiry of the period of validity.

Article 17. Where a representative office alters the name and the place of location of the office, or changes the number of representatives, or replaces the senior representative or other representative, they shall submit the application for change to the screening body through the zone authority. In case of replacing the senior representative or other representative, the letter of accreditation and the portfolio for the new representative concerned shall be attached with the application for change.

Representative offices shall register any change with the zone authority in 7 days from the date of the change approved.

Article 18. Where the post of senior representative is vacant, or the senior representative is absent from the office for more than one month, one of the representatives shall act for him. In this case, the representative office shall send a written notice to the bodies concerned.

Article 19. Representative offices shall open accounts with the foreign trade bank of the DPRK. If needs be, they may open accounts with the other bank within the territory of the DPRK with consent of the foreign exchange control body.

Article 20. Subject to laws and regulations of the DPRK on tax levied upon foreign-invested business and foreigners, representative offices and their officers shall register with the financial institution of the area of their abode and pay tax due.

Article 21. Representative offices shall submit the annual report on their activities to the screening body through the zone authority within January every year.

The annual report shall be prepared in the Korean language.

Article 22. Where a representative office renews the term of residence, it shall submit the application for renewal to the screening body through the zone authority 3 months before the expiry of the term of residence.

The application for renewal shall specify the desired period of residence and the reason for it and shall be accompanied by the document specifying economic dealings that the parent business has had with the DPRK during the term of residence.

Article 23. In case of importing office materials, daily necessities and transport vehicles, representative offices shall have them cleared by customs office.

Transport vehicles shall not be used unless they are registered with the traffic control authority to obtain the driving license and the car number and are insured against the third party liabilities.

The office materials, daily necessities and transport vehicles brought in from other countries are prohibited from sale or from the use for other purpose. In unavoidable circumstances, they can be sold through the designated commercial (or trading) body only after they have been declared to the customs office and duties paid on them.

Article 24. In case of renting a building or of employing people needed for the office, the representative office shall enter into a contract with the property management body or the labour exchange.

Both the buildings leased and the employees of the representative office shall be managed in accordance with the laws and regulations related to the transfer of buildings or labour applicable to the foreign-invested business.

Article 25. All communications, international and domestic, required for business shall be provided by the relevant body of telecommunication and post of the DPRK. If necessary, international telecommunication facilities can be installed and used with the consent of the body concerned.

Article 26. Where any representative office withdraws at the expiry of or before the term of residence, it shall send written notices to both the screening body and the zone authority and settle all matters related to tax and claims/liabilities 30 days in advance of its withdrawal. Upon the settlement of all matters, representative offices shall have the registration cancelled by surrendering the certificates of representative and registration to the zone authority in 7 days from the date of the settlement. In such a case, the document issued by the financial institution certifying the payment of tax by the representative office concerned should also be presented to the zone authority.

Article 27. Fee shall be paid to the body concerned when representative offices and their officers have any certificates issued or reissued, or have them altered, registered or cancelled.

Article 28. The screening body and the zone authority are authorized to inspect and examine activities of representative offices. In this case, representative offices

should comply with the requirements of the inspector and allow him access to any document and informations.

Article 29. In case any representative office or any of their officers contravens these regulations, fine up to 2,000 won shall be charged and if the consequence is serious, the person concerned shall be expelled from the territory of the DPRK.

Article 30. Any disagreement related to the activities of representative offices shall be settled through consultation.

A case of dispute shall be heard and settled by the court of law or the arbitral tribunal of the DPRK.

Kim Il-song Sends Wreath to Bier of Late Actor

SK1303090494 *Pyongyang KCNA in English 0848*
GMT 13 Mar 94

[Text] Pyongyang, March 13 (KCNA)—The great leader President Kim Il-song sent a wreath to the bier of the late people's actor Han Chin-sop of the state theatrical company, expressing deep sorrow over his death.

Han Chin-sop died of illness at the age of 79 on March 12. He dedicated his all to the work for the development of literature and art, upholding the literary and art idea and line of the Workers' Party of Korea.

Kim Chong-il Sends Wreath

SK1303090594 *Pyongyang KCNA in English 0849*
GMT 13 Mar 94

[Text] Pyongyang, March 13 (KCNA)—The dear leader Comrade Kim Chong-il sent a wreath to the bier of the late people's actor Han Chin-sop of the state theatrical company, expressing deep sorrow over his death.

Kim Il-song Appreciates Agriculture Research

SK1403054994 *Pyongyang KCNA in English 0505*
GMT 14 Mar 94

[Text] Pyongyang, March 14 (KCNA)—The great leader President Kim Il-song and the dear leader Comrade Kim Chong-il have shown deep loving care for the researchers of the agricultural research centre to register big successes in carrying on the green revolution.

They sent a total of more than 6,300 kinds of seeds to the centre on some 180 occasions over the past thirty years after the publication of the socialist rural theses.

The great leader sent a new rice seed to the institution in July 1968 and a high-yielding maize seed in March 1986.

The dear leader sent to it various kinds of rice seeds respectively in December 1977 and in July 1978, two kinds of quick-growing and high-yielding onion seeds in August 1986 and a peculiar seed of water melon which looks beautiful and heavy in weight in March 1988.

He sent more than 490 kinds of crops seeds on nearly twenty occasions last year and different kinds of maize seeds in last February, so that they could be used in researches.

Under the great loving care of the great leader and the dear leader the agro-scientists have achieved signal successes in their research into high-yielding seeds of crops, succeeding in the cultivation of more than 400 new strains over the past thirty years.

Each time they were told of successes registered in carrying on the green revolution the great leader and the dear leader congratulated the agro-scientists upon their successful researches and personally named the newly-developed crops.

Kim Chong-il Hailed as 'Great Military Genius'

SK1303062194 *Pyongyang Korean Central*
Broadcasting Network in Korean 0723 GMT 10 Mar 94

[Unattributed talk: "Great Military Genius, Iron-Willed Commander"]

[Text] The dear leader Comrade Kim Chong-il has pointed out: The party's leadership toward the People's Army is a basic guarantee of all victories of the People's Army.

The mission of the People's Army to advocate, defend, and complete generation after generation the great leader's revolutionary cause can be realized only under the party's leadership.

Leading the cause of military building to victory is not a matter that can be fulfilled by anyone. This can be carried out only by a military commander who is possessed with a great military ideology and extraordinary leadership.

Our People's Army grew up to become an invincible revolutionary armed force and walked a proud road of victory and glory. This cannot be thought about without the dear leader Comrade Kim Chong-il's trait in which he is leading the revolutionary armed force by having both profound ideology and theory and tremendous practical capability of a great military strategist.

Being possessed with a great military ideology is the dear leader Comrade Kim Chong-il's outstanding trait as an extraordinary military commander.

The dear leader Comrade Kim Chong-il is brilliantly succeeding, developing, and enriching the great leader's chuche-oriented military building ideology. He elucidated the fundamental cause of military building in which the master of the military work is the Army and masses and the result of the military work is decided upon according to the strength of the Army and masses.

Based on this, along with the principle of self-defense of defending our country with its own strength, the dear comrade leader bestowed a decisive significance in the

soldiers' ideological consciousness; carried out all military work by enhancing their role of ideological consciousness; and motivated the soldiers and masses and presented principles to solve military problems in accordance with their country's concrete situation.

In various historical works of the dear leader Comrade Kim Chong-il such as "On the Chuche Idea," "On Improving and Strengthening the Propaganda and Agitation Work Within the People's Army," and "Let Us All the More Strengthen the People's Army Into Invincible Ranks," he all the more clarified the mission and duty of our revolutionary armed force and elucidated the strategic and tactical principle of the revolutionary armed force building. In addition, based on the great chuche idea he newly elucidated systematically and on a full basis all military problems such as the viewpoint on war, revolutionary armed force building, national defense construction, military strategy, and the art of commanding the Army.

The method of modeling the whole Army after the chuche idea occupies an outstanding position in the dear comrade leader's military building ideology. The dear comrade leader put forth modeling the whole Army after the chuche idea as a chuche-oriented Army founding program which the People's Army must adhere to. He elucidated the essence of modeling the whole Army after the chuche idea.

Modeling the whole Army after the chuche idea is to arm all the soldiers under the great leader's revolutionary ideology to foster them to become a chuche-oriented revolutionary fighter and carry out the revolutionary armed force building and all military activities in accordance with the demand of the chuche idea.

By presenting the outstanding strategic method of modeling the whole Army after the chuche idea by the dear comrade leader, the road to highly uphold the leadership of the party and leader with loyalty and to guarantee to the end with force the chuche revolutionary cause have been clearly elucidated.

Through the dear comrade leader, who is developing and enriching the great leader's military building ideology and theory, all theoretical and practical problems arising in military building, including the fundamental principle of military building and military building program, were wholly elucidated. Therefore, a firm guiding principle was provided in carrying out the revolutionary armed force building and military activities in accordance with the demand of the chuche era. Also, it was possible for our revolutionary armed force to grow into an invincible rank that can defeat any kind of enemy and defend ever so strong the party, the leader, the fatherland, and revolution.

Outstanding and tested leadership is one of the most important traits of a commander, and the commander's leadership can be said to determine the might of the revolutionary forces.

The dear leader Comrade Kim Chong-il is a military genius who has boundless military insights, limitless boldness, extensive military knowledge, and political insights. He is also a great commander who has an art of military operations with which he commands all Armed Forces of the country in a unified manner and makes them act like one.

The dear comrade leader presented a clear struggle slogan that the revolutionary Armed Forces must adhere to as a motto and noble mission and has strengthened and developed the People's Army into a powerful chuche-oriented Army and invincible revolutionary Army.

The dear comrade leader personally called in a People's Armed Forces Ministry official on 1 January 1976. With a serious look on his face, he told the official that we had many things to do in the new year and stressed that it is important to continuously and persistently carry out the work to build the party's unitary ideological system in the military. He also said: Your basic mission, comrades, is to make all soldiers, shock brigade members, and do-or-die unit members unconditionally carry out any order issued by the leader [suryong]—by even risking their lives. Therefore, you, comrades, must better indoctrinate soldiers under the slogan "Let us fight for the great leader by even risking our lives!"

This slogan presented by the dear comrade leader impressed People's Army officers and men. This immortal slogan is imprinted at any guardpost in the frontline, coast, and mountainous areas; command posts on warships, aircraft cockpits, and guardposts at major facilities and vigorously inspires People's Army soldiers into the single road of loyalty and heroic feats.

The outstanding leadership with which one presents a slogan, builds the entire Army into a powerful rank, and leads the entire Army to fulfill a single purpose is a leadership trait that only the dear leader Comrade Kim Chong-il possesses.

Nothing is more fortunate to an army than having a commander who has an outstanding art of military operations. Upholding the dear leader Comrade Kim Chong-il as the supreme commander is a boundless honor and the highest privilege to our people and People's Army.

Our dear leader Comrade Kim Chong-il is an outstanding commander who takes charge of the entire Armed Forces of the country in a unified manner, makes the entire Army act like one, has a good understanding of everything from operational tactics to equipment, and is well versed with all Army, Navy, and Air Force branches.

The dear comrade leader personally visited the training field of a unit one day in October 1980. After watching soldiers in combat training with satisfaction, the dear leader Comrade Kim Chong-il said proudly that our

People's Army's combat capability has been strengthened beyond comparison. He added: If our people see the invincible spirits of our People's Army, they will be very pleased, but, if the enemy sees them, it will be (?horrified).

He also gave a great lesson, which is a leading guideline in strengthening the People's Army's combat capability.

Even professional functionaries could not have imagined that the most important question of war victory lies in the seemingly ordinary logic set forth by the dear comrade leader.

The great military genius, dear leader Comrade Kim Chong-il, was the only one who gave answers to the victory of war after closely analyzing and comprehending all aspects of nature and characteristics of modern war from a new angle. His extraordinary strategy is a comprehensive reflection of the sagacious general's military wisdom, peerless courage, and scientific insight. These qualifications and traits can only be seen in a veteran of many battles.

The dear leader Comrade Kim Chong-il is a military genius and matchless sagacious general who long time ago smashed into pieces [sansanhi chitpusida] the enemy's reckless war maneuvers with wisdom that foresees all troubles and adapts to any circumstance.

An (?example) was seen a few years ago, when the enemies' Team Spirit joint military exercise reached its highest, he organized the mobilization of the Korea People's Army [KPA] units to one focused place and the enemies were chaotically confused. This made the most important part of the exercise useless. At another time, the enemies came at us saying they would make a preemptive strike. The dear leader Comrade Kim Chong-il seized the initiative with one single tactic and frightened them away.

In March 1993, when the enemies resumed the Team Spirit '93 joint military exercise, which the enemies had decided to suspend temporarily, and drew dark clouds of nuclear war to this land, he unsparingly smashed [chitpusida] the war aggression maneuver of the enemies, who ran wild without discretion, with an order in the name of the supreme commander.

Each time the military functionaries see the frosted-pumpkin look of the rascals in those right-on-target cases, they could not resist admiring the outstanding military sense and brightly shining extraordinary strategy of the dear comrade leader, who changes adverse circumstance to favorable one all at once by gaining supremacy over the enemies with one single blow.

Our revolutionary forces' supreme commander Comrade Kim Chong-il, is a great military genius who always leads our revolutionary armed forces to the single road of victory with outstanding military ideology, military

wisdom that foresees a thousand ri ahead, and extraordinary military training skill, and an indomitable sagacious general who grips the enemies in one catch and tosses them around with fantastic strategies and tactics, and unique war method.

His respected name is indeed a brilliant symbol of spirit, dignity, hope, and victory of the ever-victorious invincible people and the People's Army. Endless is the glory of our people and the People's Army because we have the dear leader Comrade Kim Chong-il as the supreme commander of our revolutionary armed forces. Wide open is the road of glorious and brilliant victory for our people and the People's Army because of his leadership.

Article Dedicated to Kim Chong-il's 'Genius'

SK1303090394 Pyongyang KCNA in English 0847
GMT 13 Mar 94

[Text] Pyongyang, March 13 (KCNA)—NODONG SINMUN today runs an article titled "High Glory in Having Great Genius of Thought and Theory" contributed by Dr. Chong Kwan-yong.

The article says:

The dear leader Comrade Kim Chong-il has performed undying ideological and theoretical exploits for human history of thought by propounding great idea and theories with his rare intelligence and scientific penetration.

It is the highest glory of the Korean people to have acclaimed the great thinker and theoretician possessed of extraordinary ideological and theoretical intelligence unparalleled in the world.

The article quotes the great leader Comrade Kim Il-song as saying:

"Comrade Kim Chong-il is exalting the chuche idea of our party as the great guiding idea of the era of independence by conducting ideological and theoretical activities with his unusual pursuit and energy."

The article continues:

What is important in the idea and theories of Comrade Kim Chong-il is that they are run through with uniqueness and contemporariness. He makes all his ideological and theoretical pursuits and thinking with innovative views and creative stand on the basis of the requirements of the time which is changing and developing.

The intelligence of the dear leader in making ideological and theoretical analysis and explanation in conformity with the time and reality finds an expression in that he reviews the history of the revolutionary ideas of the working class from the viewpoint of the times and raises and evolves ideas and theories in a unique way.

Notably, he expounded from a new angle that the revolutionary idea of the great Comrade Kim Il-song is

composed of the man-centred philosophical world outlook, the revolutionary theory centred on the popular masses and the method of mass leadership. This is, indeed, a unique discovery.

When the imperialists were vociferating about the "end of socialism", the dear leader clearly indicated the strategy and tactics to frustrate the anti-socialist moves, defend the socialist cause and carry it through to accomplishment. This is an incomparable exploit he has performed for mankind.

As long as there is the idea and theories of the dear leader characteristic of creation and innovation, the Korean people will advance along the road of victory and accomplish the cause of socialism without any turns and twists, no matter how the situation and the circumstances and conditions of the revolution may change.

An important characteristic of Comrade Kim Chong-il's idea and theories is that they are run through with most profound pursuit and analysis, rich and diverse contents and are strongly expressive of clairvoyant ideological and theoretical intelligence and scientific foresight.

The capacity of pursuit and analysis of Comrade Kim Chong-il is really extraordinary and distinguished. Deeply penetrating thinking, pursuit of discovering new truth by comparing, analysing, reasoning and combining problems and the perfection and plainness of easy-to-understand logics—these are the ideological and theoretical gifts of the dear leader.

He gives many clear-cut ideological and theoretical answers with rich and deep knowledge about the work of the party and people's power, the work of working people's organisations and defence building, industry and agriculture, construction and other domains, philosophy, political economy, history, literature and all other spheres.

He has extraordinary intelligence and far-sightness looking farther ahead than any other and indicating the road of victory.

He looks forward to a distant future from the present-day situation and the trend of the developing revolution, count ten and a hundred out of one practical fact and set forth a correct idea and theory.

The rare clairvoyance of the dear leader is always accurate and most correct because it is based on a scientific penetration relying upon the aspirations of the popular masses and the law governing social development.

Comrade Kim Chong-il is not only possessed of gifted ideological and theoretical intelligence and quality but also has conducted tireless ideological and theoretical activities.

His rare intelligence and energetic ideological and theoretical activities have brought a great reality, demonstrating an invincible vitality in the accomplishment of the cause of socialism.

Korea has been able to successfully build socialism centred on the popular masses, going through rough storms of the revolution because the dear leader comprehensively systematized the *chuche* idea and developed it in depth in conformity with the developing reality and glorified it as the great guiding idea of the era of independence and has armed the people firmly with it.

Kim Chong-il Works To Make WPK 'Impregnable'

*SK1403110694 Pyongyang KCNA in English 1011
GMT 14 Mar 94*

["WPK Is Impregnable"—KCNA headline]

[Text] Pyongyang, March 14 (KCNA)—NODONG SINMUN today devotes nearly one whole page to a signed article titled "Our Party is Impregnable".

It says that the Workers' Party of Korea [WPK] is an impregnable one because its idea is great, its faith and will is incomparably strong and it is united in one mind.

In the first part, the article says that the WPK is a party with a great idea.

It quotes the dear leader Comrade Kim Chong-il as saying:

"The *chuche* idea, the world outlook of our party, is the guiding idea of our times which indicates the most correct way of achieving the independence of the popular masses."

The article continues:

The unique guiding idea of our party is the immortal *chuche* idea, the idea and theory developed and perfected by Comrade Kim Chong-il.

The idea and theory of our party is an ever-victorious banner leading the struggle of the popular masses of the present era for achieving their independence to victory and is a strategy and tactics of the revolution for defeating imperialism and accomplishing the cause of socialism, the human cause of independence. As it has the great idea and theory bearing the August name of dear Comrade Kim Chong-il, our party is so great and is an invincible revolutionary party which does not waver in any storm.

Comrade Kim Chong-il has comprehensively systematized and solved all the theoretical and practical questions arising in revolutionary party building including the question of conducting party construction and activities with the *chuche* idea as the guideline, the policy of building the party into a mass party for the working people and firmly guaranteeing the uniformity of thought and leadership within the party, the policy of taking the unity and cohesion of the party as a basic task of its building and building it up with main emphasis

laid on thought and the question of realising the exclusive sway of one idea and definitely ensuring the political leadership over the whole society.

With this chuche-based idea of party building propounded by the dear leader, our party has been able to conduct its building and activities without the slightest deviation or twists and turns, and steadfastly defend its revolutionary character.

With the great idea, our party is further consolidating its organisational and ideological foundations, consolidating and developing its singlehearted unity and successfully paving the road of socialism, overcoming whatever trials and obstacles.

In the second part, the article says the WPK has an unshakable faith and will.

It continues:

All the activities and struggles of our party today are based on the firm resolve to follow the path of chuche opened by the great leader and the unshakable faith and will to lead the people to accomplish the cause of socialism.

Its faith and will are not shaken in acute political, military and ideological confrontation with the enemy and get stronger with the change of generations and the advance of the revolution.

With an indomitable faith and will, our party has become a great party which courageously smashes the imperialists' anti-socialist campaign and turns adversity into bliss.

It is the staunch stamina of the Workers' Party of Korea guided by General Kim Chong-il, an iron-willed brilliant commander, to counter arrogant pressure from the imperialists with an indomitable spirit and frustrate the counter-revolutionary offensive with a revolutionary offensive.

For its unshakable faith and will, our party has always been tough and resolute in confrontation with the imperialists.

Our party with firm revolutionary faith and will is displaying its grand appearance as a most revolutionary party which does not retreat a step from the revolutionary principle.

Its firm revolutionary position is that a principle certainly wins and that the fundamental idea and demand of socialism can never change even if the situation and conditions of revolutionary struggle may change.

For this firm faith and will, our party has become a revolutionary party with an invincible might which fulfills any vast task in socialist construction.

Our party carries into practice whatever it wishes to do, and carries to completion whatever it has started.

In the third part, the article says the WPK is a party united in one mind.

It continues:

The might of its singlehearted unity is demonstrated in that the entire members of the party have an absolute worship of their leader, deeply revering and following him, and move as one with strong organisation and discipline in accordance with the leader's idea and will.

Our party has the dear leader Comrade Kim Chong-il as the centre of unity and leadership, so the bonds between the leader and his men are unbreakable. These bonds are based on an absolute worship of their leader.

In our party, the leader's decision represents that of the entire membership. All the party members speak the same words and walk in the same manner.

The invincible might of our party deeply rooted among the popular masses including workers, peasants, soldiers and intellectuals is being fully demonstrated in the revolution and construction.

Party Officials Commended for Ideological Work

*SK1303084194 Pyongyang KCNA in English 0812
GMT 13 Mar 94*

[Text] Pyongyang, March 13 (KCNA)—State commendations were awarded to officials in charge of party's ideological work on March 12 with a due ceremony in Pyongyang.

Kim Il-song Order was awarded to Choe Hak-chol, secretary in charge of propaganda of the party committee of the Kim Chaek iron and steel complex who had made a great contribution to the powerful mobilisation of party members and other working people in the implementation of party's policies and to the strengthening of the singlehearted unity of the whole society by intensifying education in the chuche idea among them, upholding the leadership of the party, and citations of the dear leader Comrade Kim Chong-il to model officials in charge of party's ideological work.

Party Ideology Functionaries Hold Meeting

*SK1403135394 Pyongyang Korean Central
Broadcasting Network in Korean 2300 GMT 10 Mar 94*

[Text] A national meeting of functionaries of the party's ideological sector was held in the People's Hall of Culture on 9 and 10 March. Respectfully placed at the forefront of the meeting site were a portrait of Comrade Kim Il-song, the great leader of our party and people, and a portrait of the dear leader Comrade Kim Chong-il. Placed in the meeting site were the slogans, "Long live the great leader Comrade Kim Il-song" and "Long live the glorious Workers Party of Korea [WPK]." The meeting was attended by Comrade Kim Ki-nam, secretary of the WPK Central Committee; functionaries concerned; party propaganda functionaries from central and

local party organizations; and functionaries of public organizations; and functionaries from the literary and art, publications, and press sectors. The meeting summed up the achievements and experiences registered by the party's ideological sector for the past 20 years under the banner of modeling the whole society after the *chuche* idea and discussed measures to further improve and strengthen the party's ideological work in conformity with the demands of the developing realities.

At the meeting, many attendants participated in debates after Comrade Kim Ki-nam made a report.

The reporter and those participated in debates referred to the fact that the dear leader Comrade Kim Chong-il promulgated the program of modeling the whole society after the *chuche* idea on 19 February 1974 and elucidated the basic mission and method of the party's ideological work for the realization of this program. They then noted that the fact that the dear leader Comrade Kim Chong-il provided this invincible ideological and theoretical weapon which firmly guarantees the victory of the working class' revolutionary cause, the socialist cause, is precisely his immortal achievement for the times and the revolution.

Noting that a revolutionary change has been effected in the party's ideological sector under the banner of the program of modeling the whole society after the *chuche* idea the reporter and those participated in debates said that great progress has been made in fostering all members of the society into *chuche*-type communist revolutionaries who are infinitely loyal to the party and the leader [*suryong*] and reforming the economy and culture in conformity with the demands of the *chuche* idea, that the party's ideological work system has been established in an orderly manner, and that much improvement has been made in the method of the ideological work.

Noting that the brilliant success attained in the party's ideological work to model the whole society after the *chuche* idea is precisely the brilliant result of our party's excellent ideology and theory and its tested leadership the reporter and those participated in debates stressed that the dear leader Comrade Kim Chong-il has elucidated the path toward the victory of the cause of modeling the whole society after the *chuche* idea, extensively presented the principles and methods to fundamentally reform the party's ideological work in conformity with the demands of our developing revolution, and led the party's ideological work to the road of a revolutionary turn.

Stressing that to accelerate the revolution and construction and to safeguard, defend, and glorify the popular masses-centered socialism of our own style it is imperative to further strengthen and develop the party's ideological work, the reporter and those participated in debates presented tasks arising in the party's ideological sector at present and measures for them.

The dear leader Comrade Kim Chong-il has indicated: We should further improve the form and method of the

party's ideological work in conformity with the developing reality so that we can see to it that the ideological work more properly contributes to indoctrinating and reforming party members and the working people and to inspiring them into socialist construction.

The reporter and those participated in debates stressed the need to vigorously wage the party's ideological work in order to firmly deepen our revolutionary ranks' singlehearted unity around the dear leader Comrade Kim Chong-il and to exalt the revolutionary spirit of self-reliance and fortitude. They stressed not only the need to strengthen education in the principle of the *chuche* idea, education in the party's policy, education in the revolutionary tradition, education in class, and education in the superiority of socialism, but also the need to develop on a continuous basis the communistic conducts which are being enhanced among the people, to constantly increase the ranks of forerunners in the laudable communist virtues by vigorously waging education to influence people by positive example and to establish a social ethos of attaching importance to military.

They stressed not only the need to strengthen the propaganda and agitation work to enhance the revolutionary spirit of self-reliance and fortitude and to actively organize and mobilize the masses into the implementation of the party's revolutionary economic strategy by vigorously waging the movement to win the red flag of the three revolutions, but also the need to strengthen and develop various forms of mass movement, including the movement to follow and emulate the example of unheralded heroes. Stressing that our party's ideological work system and vitality should be fully demonstrated the reporter and those participated in debates then noted that party organizations and functionaries in the party's ideological sector should inform party members and the working people of the party's line and policy in a timely manner, should establish study, lecture, and agitation discipline, should enhance the responsibility and role of primary level party propaganda functionaries, and should properly carry out the management of the work of lecturers, propagandists, and five household propagandists.

They stressed that the party's leadership system should be more firmly established in the publications, press, and literary and art sectors, in particular, and that propaganda work to vigorously inspire the masses into the revolution and construction should be actively waged, thereby seeing to it that newspapers, press, broadcasting, publications, and literary and art works can smoothly perform their mission and duty as our party's ideological weapon. They noted that to wage ideological work in a substantial manner the functionaries in the party's ideological sector should also guarantee truthfulness, scientific spirit, and accommodating spirit in the ideological work and wage the work in conformity with the characteristics of the target of the ideological work and with specific situation and in the manner of the anti-Japanese guerrillas.

They stressed that all functionaries in the party's ideological sector should deeply realize the importance of their position and duty and improve, strengthen the party's ideological work in conformity with the demands of the developing realities, and, thus, more vigorously accelerate the struggle to model the whole society after the *chuche* idea. The meeting adopted a letter to Comrade Kim Chong-il, the dear leader of our party and people.

KCNA Reports Release of New Documentary Films

SK1503110594 Pyongyang KCNA in English 1038 GMT 15 Mar 94

[Text] Pyongyang, March 15 (KCNA)—The Korean documentary film studio has released several documentary films recently.

The film "Turn" shows imperishable feats performed by the dear leader Comrade Kim Chong-il in the ideological field by proclaiming the programme of modelling the whole society on the *chuche* idea on February 19, 1974, and bringing about a new turn in the party's ideological work.

"Embraced in the Bosom of Great Love" shows Yi In-mo living a happy life with great glory, highly praised by people at home and abroad as the incarnation of faith and will, after returning home.

Yi In-mo goes round significant places of the socialist homeland which made a signal development, keenly feeling the benevolence of the party and the leader, solicitude of the socialist system and the love of the revolutionary comrades. He says our leader, our party and our country were the best and he is now in an "Earthly Paradise."

"Long Live the Great Rural Theses" and "Yongsan-ri Undergoes Changes" represent the looks of the countryside that has changed beyond recognition thanks to the great socialist rural theses and the happiness of the people. "Intimate Feelings of Kinship" vividly depicts the true appearance of Korean-style socialism in which all the people form a big harmonious family and help and lead each other forward.

Among the newly released documentary films are also "Self-Reliance Is the Spirit of Korea," "Masters of Forests" and "Respected People" which introduce the noble spiritual world and beautiful traits of honest-minded people who have devoted their all to the country, the people, the society, the collective and the revolutionary comrades, doing what the party wants.

KCNA Notes 'Upswing' in Coal Production

SK1403234394 Pyongyang KCNA in English 1500 GMT 14 Mar 94

[Text] Pyongyang, March 14 (KCNA)—An upswing in production is effecting at coal mines of Korea.

The Suncheon district coal mining complex is now over-fulfilling its plan of capital tunnelling by 3 percent, preparatory tunnelling by 5 percent, sloping pit tunnelling by 4 percent and coal production by 1.5 percent on a daily average compared with the previous month.

The Myongchon district coal mining complex is fulfilling its coal production at 110 percent on a daily average in March by substantially organizing and commanding production and actively tapping potential reserves.

The Anju, Tokchon and Pukchang district coal mining complexes are increasing coal production by managing equipment well and introducing new blasting methods and coal cutting methods.

The February 8 Jiktong Youth, Sinri, Hwasong, Thongchon and other coal mines are increasing daily coal production 1.2 times as against the same period last year by keeping equipment in full capacity operation.

New Streetcar, Electric Railcar Make Trial Run

SK1403064494 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 9 Mar 94

[Text] A trial run of a new type of streetcar and underground electric railcar, produced at the Kim Chong-tae electric locomotive general enterprise, has been successfully carried out. The trial run made on several occasions covered the long distance from Mangyongdae District's Songsan to Sopyongyang Stations passing by Potonggang District's Kwangbok, Red and (Kyongun) Streets. All of the streetcar's operative functions and spare parts operated smoothly in accordance with the technological demand. The streetcar moved swiftly and this made the people happy.

By upholding the party's intention of developing the country's transportation and freighting system, and providing safer and more comfortable transportation conditions, the workers of the Kim Chong-tae electric locomotive general enterprise highly manifested the revolutionary spirit of self-reliance and fortitude to make a new type streetcar and underground electric railcar in just 70 days. They also successfully guaranteed the trial run of the streetcar and underground electric railcar.

The streetcar was manufactured and completed safely in accordance with the topography of the capital and the passenger demand. According to the automatic operation of the streetcar, all the electric equipment and damping devices were operated smoothly from the first trial run.

In particular, the efficiency of the starting apparatus, made by introducing the structural method of the electric circuit in accordance with our country's situation, was very good. This made it possible for the traction electric motor's starter to move freely, and firmly guaranteed its operation's reliability and safety.

The underground electric railcar also had a successful trial run covering many blocks. All the elements including the traction part, electronic equipment, damping device, and buffer device operated normally.

In the vigorous road of the overall march of socialism of our own style, our heroic working class magnificently produced a modern streetcar and underground electric railcar through their own strength, technology, and material, and successfully guaranteed the trial run. This has made the mass production of the vehicles possible to develop the country's transportation and freighting system. It is also of great significance because it provides safer and more comfortable transportation conditions and cultivated living conditions for the people.

The streetcar and underground electric railcar, which will actively contribute to displaying the might of the country's self-dependent national economy and developing the capital's transportation and freighting, will soon go into mass production.

South Korea

IAEA Inspectors Finish Inspection, Depart

Official Cited on Inspection

SK1503000694 Seoul YONHAP in English 2359 GMT 14 Mar 94

[Text] Berlin, March 14 (YONHAP)—The International Atomic Energy Agency's [IAEA] inspection team finished its work in North Korea Monday and is scheduled to leave Pyongyang for Vienna Tuesday, IAEA officials said.

The IAEA team had studied the possibility of leaving some inspectors behind to handle the transport of equipment and samples weighing about 300 kilograms, but decided against it, the officials said.

An IAEA official stressed that the idea of leaving some members behind had been contemplated purely because of equipment shipping problems. He said he understood that the inspection work had proceeded without a hitch so far.

The official added, however, that he did not know whether the team had carried out all of its inspection plans.

One of the inspectors has already gone to Vienna and the remaining six are scheduled to return on Thursday via Beijing.

The IAEA's nuclear safeguards bureau will receive a report from the team before submitting its own report to Director-General Hans Blix on whether there was any change in the North Korean situation. The report will help determine the need for convening a special Board of Governors meeting, they said.

At the regular Board of Governors meeting in February, the IAEA agreed to call a special meeting if the inspection team's activities were restricted or if it determined that continuity in nuclear safeguards had been disrupted in North Korea.

Kyd Calls Inspection 'Unsatisfactory'

SK1403224994 Seoul KBS-1 Radio Network in Korean 2210 GMT 14 Mar 94

[Report by Cha Man-sun from Vienna]

[Text] The International Atomic Energy Agency [IAEA] inspection team will leave Pyongyang on 15 March after finishing its 12-day inspection of North Korea.

David Kyd, IAEA information director, said: On 14 March, the inspection team completed its activities in Yongbyon, which started on 3 March in response to an emergency order from the IAEA Secretariat. The team will depart Pyongyang on 15 March and return to Vienna via Beijing on 16 March.

The IAEA is now considering convening a special Board of Governors meeting next week after notifying major board members that the recent inspection activities were unsatisfactory [manjoksuropchi motaessumul].

Major board members decided that the recent inspection of North Korea was not sufficient [mihup] to determine if nuclear materials are being used for other purposes because it was difficult to collect sample materials due to North Korea's uncooperative attitude [pukhanui pihyopchoro]. Accordingly, it seems to be inevitable that a special Board of Governors meeting will be convened next week.

Team Departs Pyongyang 15 Mar

SK1503024294 Seoul KBS-1 Radio Network in Korean 0200 GMT 15 Mar 94

[Report by Cha Man-sun from Vienna]

[Text] The International Atomic Energy Agency [IAEA] inspection team departed Pyongyang at 1000 [0100 GMT] on 15 March by air after completing its 12-day inspection of North Korean nuclear facilities.

The IAEA inspection team was scheduled to stay one day in Beijing; however, it will proceed directly to IAEA headquarters in Vienna.

Mr. Kyd, IAEA information director, revealed that the inspection team was to stay one day in Beijing, but the team will arrive in Vienna on 16 March after changing its original plan in response to an emergency directive from the IAEA Secretariat.

The IAEA will decide if it will convene a special Board of Governors meeting this weekend after hearing the inspection team's report on detailed results of the inspection activities.

The major board members stated that the inspection for examination of conversion of nuclear materials was insufficient, including difficulties the team experienced in extracting test material of nuclear materials due to North Korea's lack of cooperation. As a result, it seems that convocation of a special Board of Governors meeting next week is inevitable.

Arrives in Beijing

*OW1503062394 Tokyo KYODO in English 0556 GMT
15 Mar 94*

[Excerpt] Beijing, March 15 KYODO—A weary-looking team of inspectors from the International Atomic Energy Agency (IAEA) arrived in Beijing on Tuesday [15 March] from Pyongyang after a two-week tour inspecting North Korea's nuclear facilities.

Team leader Olli Heinonen refused to comment on how the inspections went or to answer questions concerning rumors that the North Korean Government denied the team access to some of the seven agreed-upon nuclear sites.

"We don't give any statements. That will be done in Vienna tonight," Heinonen said. "We had a nice pleasant trip. We all want to go home now."

Upon arrival, the team immediately booked tickets out of Beijing, with five members scheduled to arrive in Zurich later Tuesday.

The IAEA will release a statement in Vienna concerning the trip later Tuesday, Heinonen said.

Prior to this round of inspections, North Korea had delayed for more than a year IAEA inspections of its nuclear program, fueling accusations that it was trying to develop nuclear weapons. [passage omitted]

DPRK Diplomat in PRC Cited on IAEA Inspection

*SK1503093594 Seoul KBS-1 Radio Network in Korean
0900 GMT 15 Mar 94*

["AP, YONHAP report from Beijing"]

[Text] The North Korean side admitted on 15 March that there were some disputes regarding the International Atomic Energy Agency's [IAEA] method of inspecting its nuclear facilities, but revealed that such friction can be resolved through dialogue.

(Choe Han-chun), councillor of the DPRK Embassy in Beijing, said that the inspection team demanded that it take samples from one facility, but the North Korean authorities rejected this move, calling it an unjust demand.

Councillor Choe said that there was a slight dispute in the process of inspection, but that it is not serious. He also claimed that this can be resolved through dialogue between North Korea and the IAEA.

Further on Efforts Toward N-S Envoy Exchange

NUB Minister Cited

*SK1503021094 Seoul YONHAP in English 0159 GMT
15 Mar 94*

[Text] Tokyo, March 15 (YONHAP)—Yi Yong-tok, South Korean deputy prime minister and minister of the National Unification Board (NUB), said on Tuesday that South and North Korea would not be able to exchange special envoys by March 21, the scheduled date for Pyongyang-Washington talks.

Lee, in an interview with the Japanese daily MAINICHI SHIMBUN, said, "theoretically, realization of the special envoy exchange is possible before March 21, but it is nothing more than our (South Korea's) wishful thinking. Actually, we have little time. It is difficult."

Yi added that since Washington agreed with Seoul not to hold the talks unless the special envoy exchange is realized, the scheduled third round of high-level talks between Pyongyang and Washington seems impossible either.

In one promising development, North Korea virtually withdrew four preconditions for the envoy exchange including "suspension of the nuclear military exercise" at an inter-Korean working-level contact last Saturday.

"With North Korea's change of attitude, although the special envoys may not be exchanged before March 21, a final agreement on the exchange may be reached by that date," he said.

South Korea will press the envoy exchange because it is part of preparatory work for an inter-Korean summit meeting, Yi emphasized.

Yi said North Korea had admitted its economic failure, adding that Pyongyang seemed to be re-evaluating its announced withdrawal from the nuclear nonproliferation treaty (NPT).

Steps for Next Contact Discussed

*SK1503024594 Seoul KBS-1 Radio Network in Korean
0202 GMT 15 Mar 94*

[Text] This morning, the government held a strategic meeting participated by unification-related ministries, and chaired by Yi Yong-tok, vice prime minister and national unification board minister, to discuss follow-up measures for the seventh North-South working-level contact for the exchange of special envoys scheduled to be held on 16 March.

At today's meeting, the government confirmed the position that the exchange of special envoys must be carried out before the third round of U.S.-North Korean high-level talks is held. It has decided to call on the North side to make efforts to expedite the process of initiating exchange of special envoys during tomorrow's contact in Panmunjom.

During tomorrow's contact, if there is no final agreement between the North and South, and see only a negative attitude of the North side, the government will officially ask the United States to postpone the third round of U.S.-North Korean high-level talks.

The government has decided that if the International Atomic Energy Agency's inspection in North Korea which ended on 15 March, does not produce sufficient result, the government is considering to resume the Team Spirit exercise.

U.S.-DPRK Talks Said 'Delayed'

SK1503010194 Seoul YONHAP in English 0053 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—North Korea-U.S. high-level dialogue has been delayed indefinitely due to insufficient International Atomic Energy Agency (IAEA) inspection results, a government official here said Tuesday [15 March].

IAEA Director-General Hans Blix is highly likely to convene a special Board of Governors meeting within the week to brief the members on the inspection results, the official said.

The IAEA inspection team was to leave Pyongyang and head back to the Agency's headquarters in Vienna on Tuesday morning.

The inspectors leave without having secured the promised access to one or two critical sites at the radiochemical laboratory, an installation the IAEA has said would be a nuclear reprocessing plant when completely built.

"North Korea has not met either of the two preconditions for the Pyongyang-Washington high-level talks. The talks are now suspended indefinitely," said the official.

Seoul and Washington earlier made conditional promises to call off the annual joint military drill "Team Spirit" and to hold the high-level meeting on March 21 in Geneva.

The pledges were made on the condition that North Korea allow unlimited IAEA inspections and exchange special envoys with South Korea.

"North Korea is apparently trying to acquire more negotiating cards with its nuclear facilities," said the government official. "It remains up to the IAEA to determine whether the just-concluded inspection proved that North Korea did not divert nuclear material for non-peaceful uses."

The IAEA inspectors need two to three weeks to produce a conclusive report on North Korea, but the official said Blix is unlikely to wait until the report comes out to convene a special board meeting.

"It's very probable that the special board session will be convened within this week," he said.

Blix is expected to make some sort of announcement by Wednesday or Thursday on the IAEA's evaluation of the North Korean inspection, he said.

Minister on Progress Toward Exchange

SK1503082594 Seoul YONHAP in English 0813 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—Yi Yong-tok, deputy prime minister and minister of the National Unification Board (NUB), said Tuesday that Pyongyang-Washington relations will hardly advance unless inter-Korean ties are placed on the right track.

Yi told reporters that progress in inter-Korean relations will help improve the North's links with Japan and the United States, emphasizing that an envoy exchange is a precondition for the third round of Pyongyang-Washington high-level talks.

South and North Korea have held three working-level contacts on exchanging special envoys since the North agreed to accept nuclear inspections by the International Atomic Energy Agency (IAEA) late last month, but failed to narrow their differences on the envoys' mission and how to conduct the exchange.

Yi said, "We are accepting most of the North Korean demands on procedure. But some of the seven items North Korea proposed under the envoys' mission have been analyzed as related to Pyongyang's same old strategy toward Seoul."

For example, Pyongyang presented "the problem of forging a great unity among all the people" as one facet of the mission, which the South says is related to the old "unification front" strategy.

Yi said, "The special envoy exchange is significant in solving the North Korean nuclear problem and breaking the deadlock in inter-Korean relations. Anyway, I think Pyongyang also intends to exchange envoys."

Team Spirit Set as Condition

SK1503083294 Seoul YONHAP in English 0803 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—South Korea and the United States on Tuesday reaffirmed that they will hold the joint military exercise "Team Spirit" this year if IAEA inspections of North Korean nuclear facilities are deemed unsatisfactory and an inter-Korean envoy exchange fails to take place.

The reaffirmation came at a meeting between South Korean Defense Minister Yi Pyong-tae and U.S. Deputy Secretary of Defense Frank Wisner in Seoul on Tuesday.

The two officials also discussed security on the Korean peninsula and strengthening bilateral security cooperation, officials said.

Wisner told Yi that the Korean peninsula is vital to U.S. strategy while the two officials agreed that the security arrangement between the United States and South Korea remains firm, the officials said.

The meeting was attended by other military officials from both sides.

Wisner, visiting South Korea for the first time, is scheduled to visit the U.S. Second Infantry Division, an underground tunnel dug by North Koreans in the Demilitarized Zone, South Korea's First Infantry Division and the Joint Security Area of the truce village of Panmunjom before departing on Thursday.

Visit by U.S. Defense Official Discussed

*SK1503052894 Seoul HANGUK ILBO in Korean
15 Mar 94 p 1*

[Text] Frank Wisner, U.S. under secretary of defense for policy, arrived in the ROK on 14 March to discuss the North Korean nuclear issue and measures to promote security cooperation between the ROK and the United States.

Visiting the ROK after accompanying U.S. Secretary of State Christopher to China, Under Secretary Wisner on 15 March will seriously discuss the North Korean nuclear issue and other matters with Foreign Minister Han Sung-chu, Defense Minister Yi Pyong-tae, and Chong Chong-uk, senior presidential assistant for diplomacy and security.

Regarding this issue, a government official noted that "Under Secretary Wisner has come to the ROK to better understand the latest security situation on the Korean peninsula. However, the issue of resuming this year's Team Spirit exercise, which has been conditionally suspended, will also be discussed in the event that no progress is made regarding the exchange of special envoys during the seventh North-South working-level contact slated for 16 March."

Noting that Under Secretary Wisner is in charge of nuclear policy in the U.S. Defense Department, the official pointed out that during the current ROK-U.S. consultations, an overall review will be made concerning the North-South mutual nuclear inspections, which our side will raise in the course of exchanging special envoys, and concerning ways to resolve the North Korean nuclear issue.

Seven members, including (Stanley Ross), deputy assistant secretary of defense for East Asian and Pacific affairs; Michael Ryan, assistant to the U.S. Joint Chiefs of Staff, and Kent Wiedemann, special assistant for Asian Affairs of the National Security Council in the White House, are accompanying Under Secretary Wisner.

Article Views South-North Envoy Exchange *SK1503063294 Seoul CHOSON ILBO in Korean 14 Mar 94 p 2*

[By Pak Tu-sik]

[Text] In the sixth working-level contact held at Panmunjom on 12 March to discuss the South-North envoy exchange, North Korea demanded that the two sides adopt a South-North joint communique. Pak Yong-su, chief delegate of the North side, abruptly insisted on "issuing a joint communique expressing both sides' intent before adopting an agreement for exchanging special envoys of South and North Korea." At the same time, North Korea "virtually" withdrew its demand for four preconditions of the envoy exchange. The four preconditions, including the abrogation of President Kim Yong-sam's remarks on the North's nuclear development, were nothing but "North Korea's devices" aimed at delaying the envoy exchange. It seems that North Korea is insisting on announcing a joint communique "hinting that South-North contacts for the envoy exchange are going smoothly" after allowing itself to withdraw the delaying devices because it wants to pave the way for the third round of North Korean-U.S. high-level talks, which will be held in about a week.

In other words, North Korea intends to make it difficult for the ROK and U.S. Governments to postpone the third round of talks, and it also intends to create a pretext for spurning responsibility on the other side when the talks are actually delayed.

Despite this effort by North Korea, it seems almost impossible for the third round of talks that are slated to be held in Geneva on 21 March, to go on as scheduled. Robert Gallucci, assistant secretary of state for political and military affairs and head of the U.S. delegation to North Korea-U.S. talks, clearly said that "the third round of talks will not be held unless the South-North envoy exchange is realized" in a series of consultations with the ROK Government before he left the ROK on 13 March.

Of course, the ROK and U.S. Government authorities have not made the delay of 21 March North Korean-U.S. talks an established fact because, from a logical point of view, it is possible that after South and North Korea dramatically reach an agreement in their next contact slated for 16 March, either side's envoy will visit the other side before the 21 March Geneva talks. However, this can hardly become reality. Accordingly, the ROK and U.S. Governments seem to be making a policy in preparation for the possible delay of the third round of North Korean-U.S. talks in consequence of failure to exchange South and North Korean envoys prior to 21 March.

As has been well known, the ROK and the United States have demanded the inspection by the International Atomic Energy Agency [IAEA] and the South-North envoy exchange as preconditions of the third round of

North Korean-U.S. talks. The IAEA inspection is a precondition that can immediately result in international society's intervention such as sanctions by the UN Security Council. Time has proven that IAEA inspections of North Korea are being conducted at an acceptable level. If the IAEA inspection is completed satisfactorily before the end of this week, only the issue of envoy exchange will remain unresolved.

It is the ROK and U.S. Governments' position that the third round of North Korean-U.S. talks cannot be held unless the envoy exchange is realized. If North Korean-U.S. talks, slated for 21 March, are delayed, North Korea will be held responsible for that since it has delayed the envoy exchange. Accordingly, North Korea is being pressed for time while the ROK and the United States comes into a composed position. The government plans to continue to promote the envoy exchange with patience even if it is not realized before 21 March. If it becomes completely impossible for North Korea and the United States to hold high-level talks on 21 March, the United States will probably notify North Korea of the delay of the third round of talks through the New York channel around 16 March, when the next South-North contact will be held. The third round of North Korean-U.S. talks are likely to be delayed until after mid-April because the South-North envoy exchange should be realized before the talks.

This can be expected, however, only when North Korea gently accedes to the envoy exchange, even if it is late, as well as agrees to the delay of the North Korean-U.S. high-level talks. If North Korea strongly opposes this, it is possible that the North Korean nuclear issue will again temporarily fall into a phase of harsh confrontation. If IAEA inspections uncover a "serious-level" of diversion of nuclear materials for other purposes, that may bring about full-pledged intervention by the international community.

DPRK To Decide on Nuclear Issue During SPA

*SK1503020594 Seoul SEOUL SINMUN in Korean
15 Mar 94 p 1*

[Text] It was learned on 14 March that North Korea will hold the Seventh Session of the Ninth Supreme People's Assembly (SPA) early April and will likely make important decisions on the nuclear problem and on its relations with the United States.

Concerning this, Hwang Chang-yop, secretary for international affairs of the Workers' Party who is in charge of North Korean diplomatic affairs, visited Vietnam from 7 to 10 March, and examined the background of Vietnam improving relations with the United States after the Vietnam war and the procedure to resume economic cooperation.

Holding talks with high-ranking officials from the Vietnamese Communist Party, Secretary Hwang discussed the issue of the remains of U.S. soldiers in Vietnam. On

11 March, he visited Laos and discussed the issue of importing Lao-produced rice.

Past North Korean SPA sessions debated budget and reorganization issues and the adoption of important resolutions as key agenda.

On 14 March, one of the National Unification Board officials said: We paid close attention to the visit of Secretary Hwang, who actually supervises North Korean diplomacy toward Vietnam before the SPA session. Thus, there is a great possibility that the forthcoming SPA will make important decisions on the nuclear issue and on its relations with the United States.

This official, however, noted that the possibility that steps will be taken for Kim Chong-il's succession to power is slim.

DPRK Press' Anti-Seoul Drive Described

*SK1203072894 Seoul YONHAP in English 0553 GMT
12 Mar 94*

[Text] Seoul, March 12 (YONHAP)—The North Korean press, placed squarely under the boot of the Workers' (Communist) Party, has sharpened the "pens of revolution" to spearhead the North's recently stepped-up campaign against the South. The press joined the North's mud-slinging drive in earnest late last year when the workers' party prodded journalists to intensify propaganda against the South.

"The press should step up propaganda campaigns in firm support of the struggles of the South Korean people, who are fighting for self-reliant and democratic unification," the party said. The party's instructions were contained in a congratulatory message sent to the seventh general meeting of the North Korean Journalists Union held last Nov. 17. As a show of their faithful adherence to the instructions, the Journalists Union pledged firm unity and loyalty to the great leader, Kim Il-song, and the party on March 10 at its 48th anniversary celebration.

North Korean journalists abet subversion in the South because they fail to uphold freedom of the press—that is, to satisfy the people's right to know—in their own country, and because their main goal is to muster unswerving public support and loyalty for the great leader and his party. The regime's use of newspapers for its political purposes is not so strange given the party's press policy.

A press guideline handed down by the party describes the press as "a medium of chuche" and "a revolutionary medium of Kim Il-songism."

Of course, the North Korean Constitution does provide for "freedom of the press" in Article 67. But in interpreting this constitutional provision, the official history glossary of North Korea says, "we at no time can accord these freedoms and rights to the enemy of the fatherland and people." It is thus clear that "freedom of the press"

as mentioned in the North means the "freedom" to demonstrate loyalty to the great leader and party.

This is a "freedom" under which no criticism of the North Korean official ideology, system or state policies is tolerated. The "theory of the press," a North Korean textbook on journalism, sheds a brighter light on the nature of the Stalinist state's press. It explains that the press must perform the "function of propaganda and agitation, the function of organizer and the function of culture and indoctrinator."

In other words, North Korea forces the press to serve as an "ideological tool for class struggle" and a "socio-political tool" designed to link the policies of the great leader and the party to the people. It is under this basic press policy that the North Korean media as a whole are required to place emphasis more on purpose than on reality in handling news.

This is why such significant news items as the suspension of the '94 Team Spirit exercise and the decision to hold the third round of U.S.-North Korea high-level talks were reported by North Korean media only on March 6, three days after they had been announced. The media's anti-South programs are carefully orchestrated by the Choson (North Korean) Central News Agency, which is under the direct control of the Administration Council.

The agency has a "South Korean News Bureau" and a "South Korean Research Department" that prepare news on the South and items related to unification programs for distribution to all print and broadcast media. Little wonder then, that the regime seems satisfied with the performance of the only North Korean News Agency.

"The Choson Central News Agency has performed a great role in letting the South Korean people rise up in anti-U.S. and nation-saving struggles and in strengthening the international solidarity of revolution," said a report on the agency's 30th anniversary in December 1976.

Among the broadcast media, Pyongyang Broadcasting Station specializes in programs covering the South and abroad. Its programs about the South are all designed to instill communist ideas in the minds of South Koreans and agitate them into staging a popular uprising. A typical example of such programs is the serialized "chuche thought is the true view of the world in the contemporary age and the most accurate guidance thought for campaigns for change in South Korea." There is also the "Minminjon Broadcasting Station," which the Workers' Party runs directly and which North Korea disguises as an underground radio operated somewhere in the South. The duty of the psychological warfare station is to spread slanderous propaganda and wild rumors among South Koreans to discredit the Seoul government.

The specific organization that tightly controls all of the print media is the propaganda and agitation department

of the Workers' Party. Individual journalists are not immune from party control, either. In the first place, all of them have to be ideologically screened by the Party's Central Committee before being recruited by the press.

Government To Decide on DPRK Loggers' Issue
SK1503062494 Seoul YONHAP in English 0613 GMT
15 Mar 94

[Text] Seoul, March 15 (YONHAP)—The South Korean Government has decided to offer refuge to North Koreans defecting from the North's logging camps in Siberia, which are widely known for meting out inhuman treatment, informed sources said Tuesday.

The decision will be made at a meeting of related ministries and agencies called by the Foreign Ministry on Friday to discuss dealing with defectors from North Korean logging camps in Siberia, a government official said.

Participating in the meeting will be bureau head-level officials from Chongwadae [presidential office], the Foreign, Home and Justice Ministries, the National Unification Board and the Agency for National Security Planning.

Only defectors seeking refuge in South Korea will be accepted while those with "grave problems," such as involvement in a criminal case, will not be allowed to come, he added.

Diplomatic steps, including requesting the Russian Government to issue exit permits to the North Korean defectors so they can lawfully enter South Korea, will be discussed at the meeting.

Home Ministry measures for their settlement in the country will also be discussed.

Previously, the government has not allowed North Koreans defecting from logging camps in Siberia to enter the country, but it has changed this policy in view of North Koreans' rights as citizens of the Republic of Korea, provided for by the Constitution, and to protect their human rights.

At present, some 20,000 North Koreans are believed to be working in logging camps in Siberia and 150 to 200 have applied for refuge in South Korea through its embassy and consulates-general in Russia after deserting their camps, the sources said.

DPRK Party Official's SRV, Laos Visits Noted
SK1503055494 Seoul YONHAP in English 0545 GMT
15 Mar 94

[Text] Seoul, March 15 (YONHAP)—North Korea may make important decisions on its nuclear program and relations with the United States at the seventh meeting of the Ninth Supreme People's Assembly slated for early April, officials here said on Tuesday.

Hwang Chang-yop, North Korean Workers' Party secretary in charge of international affairs, visited Vietnam from March 7-10 to find out how Hanoi improved relations with Washington in resuming economic cooperation.

Vietnam's example in enhancing relations with the United States may have served as a valuable case study for North Korea, an official at the National Unification Board (NUB) said.

Hwang met with senior officials from the Vietnamese Communist Party to discuss the issue of returning the remains of U.S. soldiers killed during the Korean war (1950-53).

After visiting Vietnam, Hwang stopped over in Laos on March 11 to negotiate North Korean purchases of Lao-tian rice.

The NUB official said, "we are taking note that Hwang, who is a mastermind of North Korean diplomacy, visited these countries shortly before the meeting of the Supreme People's Assembly is to be held."

The Assembly usually meets to deal with party reorganization and the budget and to make decisions on important matters.

PRC City To Help Develop DPRK's Chongjin Port

SK1503015894 Seoul YONHAP in English 0052 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—North Korea's Chongjin and China's Yanji cities have agreed on joint investment in hotel construction in the northeastern North Korean port and expansion of a 95-kilometer road between Chongjin and Hoeryong, which is already under construction.

Under the contract between the two cities, China will be responsible for construction and profits are to be divided equally, trade and shipping industry sources here said Tuesday.

China has promised to put up 65 million U.S. dollars while guaranteeing to supply North Korea with 10 freight cars, one 3-ton truck, one 16-passenger bus, two 44-passenger buses, one jeep and 1,000 tons of wheat flour.

North Korea, in return, will lease out a 10,000-square-meter storage site at 90 cents per square meter a year.

The contract also states that North Korea will open Chongjin port to all foreign vessels and allow enterpot [as received] freight transportation regardless of the cargo's origin.

Trade officials said mutual interest brought about the contract since Yanbian Korean autonomous prefecture wanted to use the North Korean port to cut the transport

distance for 400 South Korean manufacturers in the region on the current route from Dalian, while the North Koreans were in need of foreign currency.

They confirmed that Chongjin-Hoeryong road construction is under way from their Chinese trade partners.

Shipping industry sources said it has been easy to transport South Korean goods on vessels from other nations, but it would still be difficult for South Korean flagged-ships to enter the North Korean port directly due to complicated procedures at home.

DPRK Upgrades Light, Downgrades Heavy Industry

SK1503085594 Seoul TONG-A ILBO in Korean 15 Mar 94 p 3

[Article by Pak Che-kyun: "Some Changes in the North Korean Economic Structure"]

[Text] It was learned on 14 March that North Korea had drastically reorganized its economic structure. Because of North Korea's adoption of an agriculture-is-best, trade-is-best, and light-industry-is-best policy at the 21st plenary session of the 6th party Central Committee on 8 December 1993, it had been predicted that North Korea would drastically reorganize its economic structure. Since then, it has reshuffled a considerable number of ministers of the economic-related ministries and drastically reorganized the enterprise organizations.

According to an analysis made by the Information Analysis Office of the National Unification Board [NUB] from January to 10 March 1994 based on reports in North Korean newspapers, North Korea has increased the size of enterprises in light industry and trade, while reducing the size of enterprises in heavy industry.

First, the "General Bureau of the Shoe Industry," which belongs to the light industrial sector, has been upgraded to the "Joint General Bureau of the Shoe Industry, and the "Korea Silk Company" has been upgraded to the "Joint Korea Silk Company." On the other hand, the Kangso District Coal Mining Complex has been downgraded to the Kangso District Coal Mining General Enterprise; the Kim Chong-tae Electric Locomotive Complex to the Kim Chong-tae Electric Locomotive General Enterprise; and the Kumsong Tractor Complex to the Kumsong Tractor General Plant.

A general enterprise is a combination of enterprises that deal with the same kinds of materials according to the order of the production process. On the other hand, a complex is a combination of general enterprises that are technologically related to each other based on a large-scale production unit. Therefore, a complex has been defined as a parent organization of a general enterprise.

The reason for North Korea's upgrading light industrial sectors into complexes and for downgrading heavy industrial sectors into general enterprises is the result of

its policy to give priority to light industry. This is a change in policy to remove the unequal development of light industry and heavy industry, which is a deep-rooted problem of the North Korean economy.

According to North Korea's announcement of the trade-is-best policy, the Unha Trade General Bureau has been upgraded to the Joint Unha Trade General Bureau. The Joint Unha Trade General Bureau has several light industrial subsidiaries, such as the Sariwon Textile Plant, the Kaesong Textile Plant, the Hwangju Fiber Plant, and the Songjin Fiber Plant.

In early January, North Korea reshuffled ministers of economic-related ministries by appointing Kong Chin-tae as deputy premier in charge of economic affairs of the State Administration Council; Kim Pyong-kil as minister of the Mining Industry Ministry; Yi Chun-sok as minister of the Forestry Ministry; Kim Kil-yon as director of the State Academy of Science; and Chae Hui-chong as chairman of the State Science and Technology Committee. All of the above are from the working class rather than politicians. North Korea has undoubtedly taken these steps to raise its economic productivity.

Ambassador to U.S. Calls for More Investment

SK1503021794 Seoul YONHAP in English 0139 GMT
15 Mar 94

[Text] New York, March 14 (YONHAP)—South Korean Ambassador Han Sung-su has called on U.S. companies to increase investment in South Korea, saying his country is providing new opportunities for foreign entrepreneurs.

In a letter to the editor of the WALL STREET JOURNAL printed in its Monday issue, he noted that the South Korean Government is tearing down virtually all trade barriers against foreign firms making inroads into the country, particularly those against foreign direct and equity investment.

Refuting a story published by the influential economic newspaper on Feb. 25 that South Korea is the least attractive market for foreign investors in East Asia, Han said South Korea offers a number of attractions for American investors.

Among them are the 15th largest gross national product in the world, the 12th largest trading partner of the United States, a population of 43 million, a solid foundation for manufacturing, an educated and skilled labor force, the country's geographical location as a relay point for trade with China, Russia and Japan, and political stability for sustained economic growth, he enumerated.

Because of foreign invasions in the past, Koreans once opposed foreign investment. This xenophobia has now changed to an understanding that the Korean economy is mutually dependent on other countries' economies for sustained growth and that foreign investment and technology imports are necessary for further development.

Han said Koreans are well aware that foreign loans, which helped to develop the country's economy, are no longer instrumental in importing the technology the economy needs in its present stage of growth.

Paper Says U.S. Reassessing ROK Relationship

SK1403235194 Seoul CHOSON ILBO in Korean
13 Mar 94 p 5

[Article by Washington-based correspondent Chong Hae-yong: "The U.S. Congressional Report on 'Reassessment of Military Cooperation'"]

[Text] The report entitled "North Korea's Nuclear Development Plan," which was made public by the U.S. Congressional Investigation Bureau last month, pointed out that the Kim Yong-sam Government is approaching the North Korean nuclear issue based on a short-term standpoint as to what influence the nuclear issue will exert on North-South relations. The congressional report also observed that the ROK is concerned with the possibility of being estranged from active diplomacy and of suffering a blow therefrom. Thus, the ROK is opposed to comprehensive negotiations between the United States and North Korea unless the North Korean side responds to North-South dialogue.

The U.S. Congressional report also noted that differences have been revealed in the method of dealing with the North Korean nuclear issue between the United States and the ROK, and such differences worked as a stumbling block in the United States' formulation of its policy toward the North Korean nuclear issue. The report said that unlike the assurance of the governments of the ROK and the United States on the satisfactory cooperative system maintained between the two countries, they failed to attain practical cooperation. The ROK asked the United States to "resolutely but tenderly deal with" North Korea so that it does not get angry, thus making an inconsistent and contradictory demand. As a result, the United States suffered a blow in understanding the true intention of the ROK side. THE NEW YORK TIMES wrote that the ROK is attempting to cautiously approach the North Korean nuclear issue on the precondition that a war against North Korea must be avoided while the United States regards it necessary to approach the North Korean nuclear issue firmly and in a decisive manner based on firm unity between the ROK and the United States. The WALL STREET JOURNAL on 7 March also pointed out that because of the inconsistent, double-dealing, hardline and moderate nature of countermeasures by the ROK government and of anti-U.S. sentiment, confusion has been caused to the U.S. policy on the North Korean nuclear issue. It was learned on 11 March that the attitude of the ROK Government, which is running about in confusion, was seriously discussed during a closed-door session of the hearing in the U.S. Senate Armed Services Committee on 2 March. Gordon Sullivan, U.S. Army chief of staff; Barry R. McCaffrey, commander of the U.S. Southern Command; Charles Larson, commander of the U.S. Pacific Fleet;

Gary Luck, commander of U.S. Forces Korea; and the vice chief of naval operations, attended the hearing. After a public session, the senators held a closed-door meeting and raised the issue on the new assessment of relations between the two countries from the standpoint of ROK-U.S. military cooperation.

General Luck stated in the hearing that the United States is fully ready to deploy Patriot missiles for the U.S. Forces in the ROK at any time but that the decision for the deployment was still pending because the ROK Government was worried that the deployment of Patriot missiles might provoke North Korea.

U.S. Senator Richard Lugar who was in the ROK with Senator Sam Nunn in mid-January said on his return from the trip that the ROK people's view of North Korea has changed capaciously compared with that in the past. He added, "We noted that the ROK might have altered its military objective in such a way as to take into consideration a broader political situation than the problem of North Korea." He called attention to the fact that the United States has made cautious efforts to reestablish its cooperative security relations with the ROK.

The United States, particularly the U.S. Congress, has had doubt about the feasibility of the appeasement policy toward North Korea. Some said that North Korea may already have a nuclear bomb, and the plan for the deployment of Patriot missiles and offensive Apache helicopters in the ROK was materialized. A U.S. national intelligence assistance team was recently deployed to the ROK, and a plan was announced that an aircraft carrier would be deployed on the sea near the ROK. These moves show the U.S. mood that it cannot accede indefinitely to the ROK insistence that the ROK and the United States endeavor for peaceful settlement through dialogue to the end rather than resorting to a hasty stick.

Some Washington military critics criticized the ROK position, saying that the United States has had its self-respect hurt much in its tug-of-war with North Korea over the nuclear issue and that the ineffective policies put forth by the ROK policymakers elated North Korea so much that they led the North Korean nuclear issue to the war of pride between the United States and North Korea. Some U.S. circles came to think that while the United States and North Korea were dealing with the critical issue with the tough stance of not hesitating to use sanctions and taking military countermeasures, the ROK took an indecisive attitude without concrete logic between the United States and North Korea. This may be one of the reasons why in some circles in the United States, such as the U.S. Congress, ROK-U.S. military cooperation became an issue for discussion.

Sunkyong Chief, PRC's Jiang Agree on Refinery
SK1303032294 Seoul THE KOREA HERALD in English 13 Mar 94 p 8

[Text] Sunkyong Group Chairman Choe Chong-hyon met with Chinese President Jiang Zemin Thursday [10 March] and agreed on the construction of a joint-venture oil refinery with daily capacity of 100,000 barrels, business sources said here yesterday. During Choe's unofficial courtesy call to the Chinese leader, the Korean business tycoon proposed the joint-venture refining plant as part of projects to promote substantial economic cooperation between the two countries and received positive support from Jiang. Choe, who was visiting China on a five-day schedule, became the first foreign businessman to exclusively meet with the top Chinese leader, the sources said.

Under the proposed plan, Sunkyong will tie up with Sinopec, China's state-run petrochemical company, and municipal government of Shenzhen to build the \$1.5-billion refining plant in the free-trade city along China's southern coast, under the equity participation ratio of 40-30-30. Formal signing for the contract will likely be made during President Kim Yong-sam's visit to China between March 26-30, they said.

When materialized, the 100,000 barrel-per-day plant will mark the biggest joint project between the two countries in terms of investment amount. Korea's daily refining capacity now totals 16.7 million barrels. A Sunkyong Group official said the oil plant is part of its grand overseas investment program, aimed at relocating the conglomerate's vertically-integrated petrochemical sector to China and other Southeast Asian nations.

The nation's fifth-largest industrial conglomerate also plans to participate in oil exploration project in China's No. 23 oil mining zone along the East China Sea, build polyester chip and acetate factories in Shantou, and operate mobile telecommunication service network for China's three northeastern provinces, the official said. It already has been operating a solar cell battery factory in Shenzhen and a video tape plant with annual production capacity of 18 million tapes in Fujian Province, he said.

Agreement Signed With PRC on Public Officials
SK1503063694 Seoul YONHAP in English 0528 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—South Korea's Government Administration Ministry and China's Personnel Ministry signed an agreement Tuesday [15 March] on exchanges and training of public officials.

The agreement promotes bilateral visits, business trips and training for public officials and, as a start, Seoul and Beijing will exchange about 15 division director-level officials taking part in a training program this year.

In addition, the two countries will exchange administrative information such as government publications and provide conveniences for each other's officials under the reciprocity principle.

The agreement was signed during a visit to Beijing by Son Chong, director-general of the Central Officials Training Institute.

Police To Send Instructors To Train Somali Force
SK1503121894 Seoul YONHAP in English 1145 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—South Korea's National Police Administration on Tuesday decided to send a group of police instructors to Somalia to help the civil-strife-torn country restore its police organization.

A police source said the decision was made at the request of the United Nations.

About 10 instructors will stay in Mogadishu for about six months training Somali police instructors, he said.

The Korean "Sangnoksu" [Evergreen] PKO force of 250 troops are to return home from Somalia on March 18 as planned.

Lost, Stolen ROK Passports Used by Asians
SK1503021594 Seoul THE KOREA HERALD in English 15 Mar 94 p 2

[Text] Security authorities are sounding the alarm as lost and stolen South Korean passports are being abused by other Asian nationals, who use them to enter the United States, Japan and other countries.

Two Chinese nationals were caught last Dec. 21 trying to enter Los Angeles with altered South Korean passports, followed by one in New York and another in Chicago Dec. 29, Foreign Ministry officials and travel agencies said yesterday.

Cambodians, Thais and Turks have been caught using South Korean passports in Japan and the United States.

Cambodian nationals turned up with four South Korean passports Jan. 8 that were stolen separately in Hong Kong, New York and Seoul, with the latest incidents occurring in Thailand, Belgium, the Philippines and the United States throughout January until Feb. 4.

Officials said they believe the passports are being sold on the black market for \$1,500 to \$2,000 in places like Bangkok and Manila.

The concern in Seoul is that due to the rise in illegitimate passports, foreign immigration officials may decide to step up security checks and entry procedures for South Korean passport holders, the officials said.

Unification-Related Ministers Meeting Noted

SK1503051894 Seoul YONHAP in English 0510 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—The government held a unification-related ministers' meeting on Tuesday morning to discuss the seventh inter-Korean working-level contact slated for Wednesday.

At the meeting presided over by Yi Yong-tok, deputy prime minister and minister of the National Unification Board (NUB), the ministers agreed to strive for an agreement on exchanging special envoys at the seventh contact.

They also decided to keep pushing for the exchange by March 21 after analyzing the results of the six inter-Korean working-level contacts held so far.

The ministers, however, reaffirmed that if North Korea delays the envoy exchange to the last minute, the third round of high-level talks between Pyongyang and Washington should be put off too, informed sources said.

Meanwhile, Foreign Minister Han Sung-chu reported on the results of the International Atomic Energy Agency (IAEA) inspection of North Korean nuclear sites, officials said.

Defense Minister Yi Pyong-tae and Senior Presidential Secretary for Foreign and National Security Affairs Chong Chong-uk also attended the meeting.

President Meets With Opposition Leader 11 Mar
SK1203074594 Seoul YONHAP in English 0621 GMT 12 Mar 94

[Text] Seoul, March 12 (YONHAP)—Clear differences of opinion on pending issues cropped up at Friday's meeting between the leaders of the ruling and main opposition parties, foreshadowing a tense political situation in the days ahead.

Although President Kim Yong-sam and Yi Ki-taek, chairman of the Democratic Party [DP], agreed on the need for political reform, they were sharply divided on such issues as the DP's calls for abolition of the National Security Law and renegotiation of the Uruguay Round trade accord.

Kim Yong-sam, also president of the ruling Democratic Liberal Party (DLP), rejected in no uncertain terms the opposition demands at a two-hour meeting at Chongwadae [presidential offices] Friday morning.

The talks' outcome brought a critical, if not angry, reaction from the ranks of the Democratic Party.

As a result, friction between the ruling and opposition parties is expected to rise as the DP plans to work against ratification of the Uruguay Round accord at the National Assembly, continue to press the DLP and the

government to abolish the National Security Law, and highlight the sensitive issue of rising prices.

DP Spokesman Pak Chi-won said Saturday that President Kim raised many issues such as his views on North Korea, his determination to realize clean politics and measures for the Uruguay Round agreement.

"But there is such a wide gap between his views and those of the Democratic Party, we could not help being disappointed by them (Kim's views)," Pak said.

"We detected the will to reform in the president's remarks but we could not also help worrying that (he) is heading toward a civilian dictatorship under the pretext of political reform," Pak said.

Pak said the opposition party was particularly upset by an "unscrupulous and intentionally arrogant" statement issued by Chongwadae on the Kim-Yi meeting.

"How could they wish to conduct politics with the kind of attitude that demeans the (leader) of the other side," he said.

"We do not wish to worsen relations between the ruling and opposition parties over such a matter and the Democratic Party has no plans to resort to action (against the DLP and the government)," Pak said.

"But it (Friday's meeting) could become a reference point when we are formulating policies," he said, hinting that depending on how the issues are addressed, the opposition party will mount a strong offensive.

One senior DP official said the party plans to push strongly for renegotiation of the Uruguay Round agreement and revision of the National Security Law.

The government and the ruling party are also taking a lax attitude toward the problems of rising consumer prices and welfare of ordinary citizens, he said.

In contrast to the opposition reaction, the ruling party gave high marks to the two leaders' agreement to work together to implement the newly adopted political reform legislation.

DLP Secretary-General Mun Chung-su said, "it was an epochal event in the 50-year constitutional history that the president and the representative of the opposition party have agreed to realize political reform and a revolution in elections."

Commenting on opposition complaints that Yi failed to get "a present (concession)" from the president, Mun said the past practice of an opposition party leader receiving such a gift is an anachronism.

"It (such thinking) has to change," Mun said.

Mun said, however, that the issues Yi Ki-taek raised at Friday's meeting can be taken up at various meetings or working-level negotiations.

Mun thus indicated that the ruling party plans to actively negotiate with the opposition party on those issues in order to avoid a tense situation.

DLP Spokesman Ha Sun-pong also said Friday's meeting was held not to give or take anything. "It was called to discuss how to carry out the political reform laws which are unprecedented in the political history of this country," ha said.

"If the ruling and opposition parties had a confrontational relationship in the past, it is now time for them to forge a partnership," he said.

President Remarks on Outcome

SK1203074694 Seoul YONHAP in English 0556 GMT
12 Mar 94

[Text] Chunchon, Kangwon Province, March 12 (YONHAP)—President Kim Yong-sam said Saturday that the government will not fail to achieve election reform in 1995 polls for chiefs of district self-governing bodies and in the next general election.

The president made the remarks in a meeting with figures from various walks of life before being briefed on Kangwon Province's administrative plan for this year.

Kim clarified anew the strict application of the political reform laws, saying, "I will see to it that a candidate who spent a lot of money will never be elected as a lawmaker or chief of a district self-governing body."

He also commented on his meeting Friday with Yi Ki-taek, chairman of the main opposition Democratic Party.

Kim said, "It is significant in and of itself that I met with the opposition party chairman to frankly exchange views. The meeting has important meaning in the country's political history since it was realized after ruling and opposition party lawmakers unanimously passed the political reform bills at the National Assembly."

Opposition Leader Marks First Year in Office

SK1503042094 Seoul YONHAP in English 0247 GMT
15 Mar 94

[Text] Seoul, March 15 (YONHAP)—Democratic Party [DP] Chairman Yi Ki-taek declared Tuesday his determination to pursue unification of the opposition parties.

"The party and myself are willing to offer considerable concessions on vested rights to unify the opposition camp within the scope of protecting the legitimacy of the DP," Yi said at a press conference marking the first anniversary of his leadership of the main opposition party.

In order to build a powerful opposition, Yi said he would join hands not only with the existing opposition parties—the United People's Party, New Korea Party and New Political Reform Party—but also with dissident and civil groups.

The DP would soon coordinate party opinions in a supreme council meeting and, depending on the form of unification, could make considerable concessions on its vested rights, he said.

"During the past year as party leader, I realized that without inner discipline, any rewards from struggling against the ruling party or progress as a policy-making party are useless," he said, vowing to instill discipline in party members or step aside.

He said he would prepare for next year's mayoral and gubernatorial elections by strengthening the DP's nationwide network, adopting a budget accounting system and conducting training programs for election candidates and winners at home and abroad.

An agreement reached recently by DP and ruling DLP floor leaders to create a subcommittee on legislation and judiciary to discuss revision or abolition of the national security law must be honored, he said.

He pledged that formation of the legislation and judiciary subcommittee would top the agenda when a special National Assembly session opens in May.

Yi proposed that a special committee to reform legislation affecting the public, including the national security law, police neutrality law, Bank of Korea independence law, unified medical insurance law and labor relations law, be set up on a full-time basis.

He hinted at a stronger attack against the ruling camp, saying he would no longer tolerate delay in the installation of a National Assembly intelligence committee under the revised law related to the Agency for National Security Planning.

"Though it is best that I visit North Korea after an inter-Korean summit, I am firm on my wish to visit North Korea despite the lack of realization of such a summit," the opposition party leader said.

He said he would apply to visit the North at an appropriate time depending on progress in inter-Korean dialogue and Pyongyang-Washington talks.

Yi, however, said little about his recent summit with President Kim Yong-sam except to note that the DP, as a legitimate opposition party, has performed its duty in helping the government when it is headed in the right direction and offering criticism when it is not.

He went on to urge a thorough investigation into a bribery scandal concerning the state-financed National Agricultural Cooperative Federation and relocation of Sangmudae, an army athletic unit.

He said his party would emphasize economic affairs as its success in the local elections also depended on resolving the public's financial problems.

Kim Yong-sam on Need for Strong Police Force

*SK1403114794 Seoul YONHAP in English 0624 GMT
14 Mar 94*

[Text] Seoul, March 14 (YONHAP)—President Kim Yong-sam has called for a powerful police force, declaring, "We can't increase national competitiveness insofar as violence and crime are rampant in our society."

Speaking on Monday [14 March] at the Korean Police Academy's commencement ceremony in Yongin, about 40 kilometers East of Seoul, the chief executive said the more advanced a country, the more powerful its police. "Rule by law can be realized with a strong police force... We can't maintain law and order with a weak police force," he stressed.

Unlawful, violent demonstrations cannot be justified under any circumstances, nor can any violations of law and order be forgiven, he added.

"The people want the police to be a strong sentry of law and order... The police must have a sense of mission to protect the people and the nation," he said.

Kim said the government would not spare any efforts to modernize the country's police force and to improve their treatment and working conditions.

DLP Lawmaker Denies Rumor on Forming New Party

*SK1503041894 Seoul YONHAP in English 0215 GMT
15 Mar 94*

[Text] Seoul, March 15 (YONHAP)—Rep. No Chae-pong of the ruling Democratic Liberal Party (DLP) lodged a strong protest with the Democratic Party (DP) Monday, slamming the DP's in-house report that he and another DLP lawmaker, Yi Chun-ku, planned to form a new political party.

"Your report on current political trends is fictitious and untrue," No said in the protest note.

"The Democratic Party has to take proper responsibility as a legitimate party for preparing and distributing a false report," No demanded.

The DP's office of party affairs coordination submitted the report in question Monday to the party's governing Supreme Council.

The report, forecasting the future of domestic politics, said that many ruling party members who were active in the administrations of Chon Tu-hwan and No Tae-u would bolt the DLP and form a new party.

They were already planning to do so in the belief that they would not receive party nominations for the next parliamentary elections in 1996 due to changes taking place in the DLP under President Kim Yong-sam's political strategy, the report said.

No, former prime minister under No Tae-u, and Rep. Yi Chun-ku, former DLP secretary-general, planned to form a new party embracing disgruntled DLP members and former military officers purged in President Kim's anti-corruption drive, the report said.

In his protest note, No said, "DP Chairman Yi Ki-taek, as the leader of the party, has to apologize not only to myself and Rep. Yi Chun-ku but also the Democratic Liberal Party, in which both of us are party postholders."

Henceforth, the Democratic Party must try to maintain dignity and responsibility as a legitimate political party in dealing with public affairs of a similar nature, No said.

There was no immediate reaction from Rep. Yi Chun-ku as he is currently visiting Germany.

Officials at the Democratic Party, meanwhile, admitted that the two DLP lawmakers' honor could have been stained since their names were mentioned in an official paper.

The party is looking into apologizing to the two men in the name of the director of the office of party affairs coordination, they said.

Ex-President's Funds Transferred to Treasury

SK1403114994 Seoul YONHAP in English 0644 GMT 14 Mar 94

[Text] Seoul, March 14 (YONHAP)—Former President Chon Tu-hwan's "donation" of political funds totaling 14 billion won (17.5 million U.S. dollars), including 100 million won in interest, to the government, had been transferred to the national treasury as of April 25, 1989, Board of Audit and Inspection (BAI) officials said Monday [14 March].

Precisely what happened to the funds is not known because national treasury funds are channeled, irrespective of their source, into the government's fiscal plan, the officials said.

The BAI looked into whether Chon's donation was placed in the national treasury at the request of the opposition Democratic Party during the recent parliamentary session.

ROK To Revise International Trade Related Laws

SK1503021394 Seoul THE KOREA HERALD in English 15 Mar 94 p 2

[Text] The government plans to legislate, revise or abolish 149 laws this year in a bid to make the legal

system of Korea fit the emerging international economic order after the conclusion of the Uruguay Round multilateral trade negotiations.

Thirty-two laws are related to deregulation in the economic field. They include the Foreign Trade Law, the Insurance Law and the Law on Farmland Ownership.

Legislation Minister Pak Song-kyu reported to the weekly cabinet meeting yesterday that the Foreign Trade law will be revised to allow people to engage in international trade by simply reporting their business to the authorities.

Pak said the regulation on financial support for Korean businesses which suffer losses because of imported products will be also modified.

He said his office has already handed in 15 bills to the National Assembly for consideration. It will seek the Assembly's approval for the other bills at the upcoming special or regular sessions.

The government will draw up a bill on development of the information industry to provide tax benefits to the investors in this area.

Minister Pak said his office is working to draw up a bill on the promotion of people's health with a view to providing regular health checks to all people.

The bill would form a fund for national health promotion using part of the profits from the sale of cigarettes, a government monopoly.

Customs Says Trade Deficit at \$480 Million

SK1503020194 Seoul YONHAP in English 0035 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—South Korea's trade continued to stand in the red in February, the Customs Administration said Tuesday.

Exports hit 6.22 billion U.S. dollars in February on a customs clearance basis and imports came to 6.7 billion dollars, resulting in a trade deficit of 480 million dollars.

The country also ran a trade deficit in January.

Exports rose 4.9 percent from the same month last year and by item, shipments of heavy-industry products such as electronics, machinery and automobiles soared 11.3 percent while light-industry exports fell 7.5 percent. Exports of foodstuffs and direct consumer goods also dropped 3.4 percent.

Imports rose 3.4 percent from the same month of 1993 and issuance of import licenses jumped 17.5 percent, indicating that imports are likely to grow considerably in the near future.

Imports of foodstuffs and direct consumer goods rose 1.9 percent while imports of materials for industrial use and

fuel edged up 0.3 percent. Imports of capital goods grew 8.8 percent while imports of durable goods fell 8.3 percent.

For the month, Korea chalked up trade surpluses with Hong Kong, Singapore, Taiwan and China amounting to 410 million dollars, 170 million dollars, 56 million dollars and 63 million dollars, respectively, while it had trade deficits with the United States, Japan and Australia of 131 million dollars, 682 million dollars and 196 million dollars.

Changes in Civil Servants' Property To Be Studied

SK1503045794 Seoul YONHAP in English 0413 GMT 15 Mar 94

[Text] Seoul, March 15 (YONHAP)—The administration's ethics committee on Tuesday [15 March] started looking into the real estate holdings of 680 civil servants ranked at grade one and above who reported changes in their property status late last month.

The investigation is focusing on how their real estate holdings have changed since the last property registration early last year, committee officials said.

To carry out its work, the committee obtained real estate registers from the Home and Construction Ministries and the National Tax Administration.

The committee has also asked banks and other financial institutions to provide financial data related to 120 to 130 civil servants who registered no change in their financial assets, though they are considered to have made asset changes.

Examination of the financial data will start early next month when the committee obtains the data, an official said.

The investigation will be completed toward the end of May, and those civil servants found to have falsely registered property changes will face punishment including dismissal and fines of up to 20 million won.

Ministry To Start Diplomatic Information Database

SK1403114594 Seoul YONHAP in English 0621 GMT 14 Mar 94

[Text] Seoul, March 14 (YONHAP)—Responding to the era of internationalization, the Foreign Ministry will fully computerize the jobs of sanctioning plans and managing information starting next year, ministry officials said Monday [14 March].

Computerization is considered a must to accommodate the amount of information acquired by overseas missions and quickly meet demands as documents are now managed separately by bureau, office and division, the officials said.

The ministry plans to start building up a data base on diplomatic information this year.

It will begin with information on people, protocols, economic and trade statistics, National Assembly interpellation summaries, diplomatic schedules, dates of global events and international organizations this month.

Work on the data base will continue to include diplomatic policies, materials, books and personnel.

Comprehensive and efficient management of diplomatic information is necessary to respond quickly and aggressively to changes in the world, an official said.

In the long run, the ministry will adopt a multi-data system that handles letters, images and sounds at the same time and introduce an optical file system to produce colorful image data.

Plans Changed on TGV Technology Transfer

SK1203091694 Seoul YONHAP in English 0828 GMT 12 Mar 94

[Text] Seoul, March 12 (YONHAP)—GEC Alsthom, selected as priority negotiator on the supply of trainsets to the projected Seoul-Pusan high-speed railway line, has agreed to transfer its TGV (Train a Grande Vitesse) technology individually to members of the consortium to be formed for the project, instead of through any particular member, Daewoo Heavy Industries, Ltd. said over the weekend.

Late last year, the French company named Hyundai Precision & Industry Co. as the consortium's prime contractor in order to transfer its technology only through Hyundai, but the agreement was a reversal of this decision.

Under the agreement, GEC Alsthom will transfer its technology related to the manufacture of TGV locomotives and coaches equally to consortium members, the officials said.

Daewoo and GEC Alsthom will negotiate details of the technology transfer and consortium forming in the near future, they added.

Because of the agreement between Daewoo and GEC Alsthom, the forming of a consortium for the production of high-speed trainsets will be expedited, along with the negotiations between the government and the French firm for the final contract.

Officials of Hyundai Precision & Industry Co. refused to make any official comments on the Daewoo-GEC Alsthom agreement but unofficially welcomed it, saying it would expedite the forming of the consortium.

Daewoo Included in Consortium*SK1503064894 Seoul YONHAP in English 0602 GMT
15 Mar 94*

[Text] Seoul, March 15 (YONHAP)—GEC Alsthom, the Anglo-French company chosen as the priority negotiator for the Seoul-Pusan high-speed railway project, announced Tuesday [15 March] that it will include Daewoo in the TGV (Train a Grand Vitesse) Korea consortium, currently comprising Hyundai, Hanjin, Goldstar and Samsung.

Daewoo, which said it had been assured a partnership role before Alsthom won the priority negotiating rights, later took the matter to court when it was left out of the TGV consortium.

GEC Alsthom promised that all five Korean companies will receive full technology transfers according to the Korean share of the project—out of a total of 46, 34 TGV train sets will be produced in Korea.

The trains will be assembled and tested at Hyundai facilities: The engines (motor cars) produced equally by Hyundai and Daewoo; and the motorized carriages by Hanjin.

The technology and production of components such as traction motors, bogies and electrical equipment will be allocated to specialized companies, Alsthom said.

Goldstar and Samsung will participate in the signalling and traffic control systems.

Increase in Technology Exports Reported*SK1403022494 Seoul YONHAP in English 0142 GMT
14 Mar 94*

[Text] Seoul, March 14 (YONHAP)—South Korea's technology exports are on the rise, business sources said Monday [14 March].

Samsung Electronics Co. has exported 300 million U.S. dollars worth of technology and plants since 1990 and plans to export more than 20 kinds of technology to developing and developed countries this year. Samsung exported "synchronous D-ram" technology necessary to make 16 mega D-rams to Japan's Oki Electric Ind. Co. in February last year, as well as a 95-million-dollar refrigerator plant to Kazakhstan along with 6 million dollars in technology.

Goldstar Co. has exported 820,000 dollars worth of technology in the color television field since 1990 and expects to earn another 700,000 dollars from color TV technology this year.

Daewoo Electronics Co. exported a color television plant with an annual production capacity of 100,000 units and related technology to Iran Electric Industry (IEI) last year for 5 million dollars.

In addition, SKC Ltd. exported 750,000 dollars in technology for assembling video cassette parts and for video cassette plant control to China last year.

Hyundai Motor Co. signed a Complete-Knock-Down (CKD) contract with a Malaysian Company to assemble and produce 1.25-ton trucks in January this year. Hyundai will receive royalties for each truck produced in Malaysia from the company.

Meanwhile, Dongbu Steel Co. Ltd. contracted with Germany's Wacker-Chemitronic Co. to export new processing technology for high-purity poly-crystalline silicone last Tuesday. Dongbu will receive a 3.84-million-dollar technology fee and 1.0-2.5 percent of Wacker's total sales of the silicone products.

*** Newspaper Profiles Kim Chong-il's Supporters***942C0073A Seoul SINTONG-A in Korean Feb 94 pp
421-439*

[Article by reporter Hwang Ui-pong: "Powerhouses in the Kim Chong-il Republic"]

[Excerpt] [Passage omitted] The story about the likelihood of something serious happening inside the power structure in North Korea where the succession of power to Kim Chong-il has been nearly completed is not limited to the realm of fiction. The Japanese biweekly SAPIO in its 12 August 1993 issue printed a sensational article about the possibility of a violent clash between the Kim Il-song faction and the Kim Chong-il faction.

The article said: "The first round of high-level talks between the United States and North Korea on matters concerning North Korea's withdrawal from the nuclear Non-Proliferation Treaty [NPT] was held in New York. But the venue for the second round was moved to Geneva. It appears that Kim Il-song had something to do with the change of the venue. He probably wanted to prevent Kim Chong-il from making policy decisions and give his own instructions to the North Korean delegation through Ambassador Kim Kwang-sop in Vienna. Earlier, on 18 March, just a week after North Korea announced its withdrawal from the NPT, Kim Kwang-sop took up his post as ambassador in Vienna. He is the husband of Kim Kyong-chin, daughter of Kim Il-song's third wife, Kim Chong-ae. Kim Kyong-chin is Kim Pyong-il's sister. Behind the sudden appointment of Kim Kwang-sop was Kim Il-song's desire to avoid isolation from the international community by dispatching Kim Kwang-sop, a man belonging to the anti-Kim Chong-il force, to the seat of IAEA [International Atomic Energy Agency] headquarters."

The SAPIO article continues: "There is a possibility that an internal change in North Korea, irrespective of sanctions from the outside, will happen. Nobody knows when a neurotic Kim Chong-il might instruct his close aides who are present at a midnight meeting surrounded by pretty women to mount a deliberate attack on the South

to provoke the South Korean front-line division commanders, or might order his aides to take up a plan to invade the South as a subject of discussion at such a meeting. Should that really happen, first- and second-generation revolutionaries might urge officers who support Kim Pyong-il to rise up in order to block Kim Chong-il's adventure."

The content of the SAPIO article seems to have little substance. There is almost no reliable information to substantiate the likelihood of serious strife or conflict breaking out within the North Korean power elite, at least at this moment. Rather the dominant view is that, with the process of "dynastic succession of power to Kim Chong-il" progressing smoothly, a tidy Kim Chong-il kingdom is in the making.

Nevertheless experts on North Korea are cautiously watching developments in North Korea. According to them, it appears on the surface that the Kim Chong-il hierarchy is being established, and there is ample room for unstable developments, depending on the situation. In the opinion of these experts, North Korea could be engulfed in an unpredictable political upheaval when Kim Il-song dies.

One thing is certain about the Kim Chong-il leadership, namely, that after Kim Il-song dies, there will be internal strife in one form or another, and the way this strife is overcome may decide the fate of the Kim Chong-il regime. The prevailing view is that, in this process, threats to Kim Chong-il from opposing forces may come in the form of internal conflict among those in power rather than in the form of something like a popular uprising.

Accordingly, it is very important to examine the profiles of those in power in North Korea in predicting the future of not only the current North Korean regime but also the Kim Chong-il regime after Kim Il-song's death. Would there emerge in North Korea a man like Khrushchev who downgraded Stalin? Or would the successor to the dictator in North Korea fall as Hua Guofeng did after Mao Zedong died?

To examine the personal connections of those in power in North Korea, it is necessary first of all to know the peculiarities of the North Korean power structure. As everyone knows, in North Korea the party dominates the power structure. The party stands above the government, and all decisions and policies of the government are under party control. Power centers on three organizations, namely, the Workers Party of Korea (WPK) Central Committee that exercises supreme leadership when the WPK Congress is not in session; the Political Bureau in control of the Central Committee; and the core of the Political Bureau, namely, its Standing Committee.

The Political Bureau, which is at the center of power, currently consists of 13 full members and nine candidate members. The full members are: Kim Il-song (head of state, WPK general secretary, and chairman of the WPK

Military Affairs Committee); Kim Chong-il (chairman of the National Defense Commission and supreme commander of the Korean People's Armed Forces [KPA]); O Chin-u (minister of People's Armed Forces); Kang Song-san (premier of the State Administration Council); Yi Chong-ok (vice president); Pak Song-chol (vice president); Kim Yong-chu (vice president); Kim Yong-nam (minister of foreign affairs); Choe Kwang (KPA chief of General Staff); Kye Ung-tae (party secretary); Chon Pyong-ho (party secretary); Han Song-yong (party secretary); So Yun-sok (responsible secretary, South Pyongan Provincial WPK Committee). These are really the most influential persons in North Korea.

Kim Il-song, Kim Chong-il, and O Chin-u (members of the Political Bureau Standing Committee) are at the core of the power center in North Korea. Considering the fact that O Chin-u is a symbolic figure representing the military as Kim Il-song's comrade in revolution, it may be said that Kim Il-song and his son are the ones who actually rule North Korea.

The Secretariat, as important as the Political Bureau in the party machinery, discusses matters relating to personnel and other important matters as they arise and make pertinent decisions. Whereas the Political Bureau is a political organization that chiefly makes highly important political decisions, the Secretariat may be called an "organization above the administrative branch of government" because it formulates major practical policies and commands their implementation. The Secretariat consists of 11 members, including Kim Chong-il and Kye Ung-tae, under Secretary General Kim Il-song. It has 27 specialized divisions and has 12 municipal and provincial WPK committees under its control.

In North Korea where the party stands supreme, holding party power means holding state power. The WPK Department of Organization and Guidance was the first official organization that Kim Chong-il joined in 1964 after he graduated from Kim Il-song University. It is in the party machinery where a majority of his trusted followers are placed. The WPK is Kim Chong-il's power base.

The one who draws the foremost attention in the North Korean party hierarchy is Chang Song-taek, 49, husband of Kim Chong-il's younger sister. As a WPK Central Committee member, Chang heads three party departments, namely, the Department of Three-Revolution Team, the Department of Labor Organizations, and the Department of Youth Affairs. Irrespective of his position and rank, Chang Song-taek's star is rising rapidly because he is Kim Il-song's son-in-law and Kim Chong-il's brother-in-law. Opinions differ, but many experts regard Chang Song-taek as the third most powerful person after Kim Il-song and Kim Chong-il.

Chang Song-taek is said to be a highly capable person with smooth personal relationships. What is more, he spends his money generously for people around him. That is why he is very popular. He is regarded as Kim

Chong-il's alter ego in the party. Whereas Kim Chong-il is not easily accessible, Chang is readily accessible. Naturally, party cadres tend to flock around the latter. Chang is called "Kim Chong-il's itinerant counterpart" because he is the man who puts into execution policies prepared by Kim Chong-il and his policy planners in the party. Kim Chong-il has such an unquestioning trust in Chang Song-taek that he is quoted as saying, "You are the only person I can trust and depend on."

Interestingly, some observers say that Chang Song-taek is rising so fast in the hierarchy that he is being held in check by both Ki Il-song and Kim Chong-il. Originally, Kim Il-song is said to have opposed accepting Chang as his son-in-law. Chang met Kim Il-song's daughter, Kim Kyong-hui, 48, for the first time while they were in college. Kim Kyong-hui, Chang's classmate at Kim Il-song University Department of Political Economics, loved him passionately. When Kim Il-song discovered their love affair, he forced Chang to be transferred to Songdo College of Political Economics in Wonsan. But Kim Kyong-hui loved Chang so much that she would travel to Wonsan by rail at each weekend to see him. In the end, Kim Il-song gave in and approved their marriage.

Even after the marriage, Kim Il-song continued to hold Chang in check. In June 1990, when Kim Chong-il recommended that the vacant post of director of state security be filled by Chang Song-taek, Kim Il-song squashed the recommendation. They say the reason Kim Il-song is holding Chang Song-taek in check is that Chang is superior to Kim Chong-il in ability as well as in character.

It is noteworthy that Kim Chong-il is also holding Chang Song-taek in check despite the fact that Chang is known as his closest aide. There were rumors that some sports officials and ambassadors known as Chang's men were replaced. In the latter part of 1993 the North Korean press mentioned "eliminating the act of playing toady to some cadres and fueling factionalism." Observers say that Chang Song-taek is the only person who could have been linked to this report.

In its 24 June 1993 weekly edition NAEWOE TONGSIN reported that Kim Chong-il began to put his brakes on Chang Song-taek's abuse of power. Based on testimony by a North Korean defector, NAEWOE TONGSIN said: "In early 1991 Kim Chong-il convened a meeting of important party cadres in the central party headquarters during which he pointed out and criticized one by one the irregularities committed by Chang Song-taek." Following this episode party cadres were said to be trying to avoid Chang.

As a matter of fact, it is difficult to confirm the rumor about the discord between Kim Chong-il and Chang Song-taek because their political activities are veiled in secrecy. But that rumor cannot but be the focus of attention because the blood ties among those at the top of the hierarchy might work as a fuse to kindle a power

struggle. The story in Chong Ul-pyong's novel—the story that Chang Song-taek becomes the party general secretary after Kim Il-song and his son are ousted from power—may be based on the same assumption.

Kim Il-song's brother, Kim Yong-chu (72), is also arousing attention these days. Kim Yong-chu was removed from power in 1974 when Kim Chong-il officially emerged as Kim Il-song's heir apparent. But he staged a comeback late last year for the first time in 20 years when he was named a Political Bureau member and vice president. Speculation is rife regarding his comeback.

In the past there were various rumors about his whereabouts. Some said he was convalescing in Siberia in the form of de facto confinement. Others said he was in Moscow. Still others said he was under house arrest in a house in South Pyongan Province. Ko Chong-song (33), who defected to South Korea in June 1993 while working as a guidance worker at the revolution's historical site in Kanggye, Chagang Province, testified as follows about Kim Yong-chu's whereabouts:

"Kim Yong-chu underwent medical treatment (for a mental disease) in Chamosan for a while after he was ousted from power by Kim Chong-il. Later he moved to Unsuri, a mountainous village in Nangnim County, Chagang Province. Subsequently, he stayed in Chosan County or, maybe in Iwon County, in Chagang Province until he moved to Puchang-tong, Kanggye City, in 1980. He stayed in Kangye until April 1991. As far as I know, he lived there idling away at home with no particular job.

"Kim Yong-chu lived in a duplex unit (about 20 pyong) in a two-story workers apartment complex in Kangye with his wife and two daughters. I heard the rumor that he had a son also. His older daughter was a guidance worker at the provincial Administrative [and Economic Guidance] Committee, and his younger daughter worked at the meteorological observatory in Chagang Province. It was in April 1991 that Kim Yong-chu moved to Pyongyang. About a week before he moved, his home was burglarized. Rumors said that the thief made off with a watch and money.

"According to rumors, Kim Yong-chu was able to move to Pyongyang after his two daughters petitioned Kim Chong-il. On the day he moved, Kim Chong-il went to Kanggye aboard a special train. When Kim Chong-il arrived, Kim Yong-chu's daughters met him for the first time. When the women addressed Kim Chong-il as 'dear leader comrade,' he said to them, 'You should not address me like that,' and told them to call him cousin."

Experts on North Korea make the following general analysis about the reasons for Kim Yong-chu's comeback:

First, Kim Yong-chu has been reinstated because the succession arrangements for Kim Chong-il are so secure that he can no longer be Kim Chong-il's rival. Second, the comeback is aimed at making Kim Yong-chu, Kim

Chong-il's uncle, the guardian of the system for Kim Chong-il's succession to power.

Despite his exclusion from power for over 20 years, Kim Yong-chu's future role, particularly in the field of North-South relations, deserves attention in view of his career, including his cochairmanship of the North-South Coordinating Committee which he held when he was director of the WPK Central Committee Department of Organization and Guidance.

Some experts say that it is a mistake to regard him as an "expert on South Korea." When the 4 July 1972 Joint Statement was issued, he was named as cochairman of the Coordinating Committee simply because he was the counterpart of Yi Hu-rak, then ROK Central Intelligence Agency [KCIA] director. In reality, Pak Song-chol was in charge. However, some observers speculate that if a hurdle is raised in the way of Kim Chong-il's immediate succession to the presidency upon Kim Il-song's death, Kim Yong-chu might assume the presidency on a provisional basis for the purpose of crisis management.

Kim Nam-sik of the Institute for Peace said that Kim Yong-chu appears to have the ability to serve at least as a complementary force for the Kim Chong-il leadership structure, and that, depending on circumstances, the possibility cannot be ruled out that he will serve as provisional president in the event of Kim Il-song's death, thereby filling the vacuum in the transitional period before the Kim Chong-il regime establishes itself.

The party line is an absolute guideline for action in North Korea, and any deviation from it automatically constitutes an antiparty, antinational, and antistate act. It is Kye Ung-tae (76), Political Bureau member and party secretary in charge of public security and judicial affairs, who sees to it that the party line is effectively implemented at party, government, military, and public levels. He is a powerful man with the right of personnel management over the director of state security, the minister of public security, the president of Central Court, and the procurator general of the Central Procurator's Office. Kim Si-hak (71), director of the WPK Department of Administration, furnishes Kye Ung-tae with various information collected from intelligence, public security, and judicial sources. By analyzing such information, Kye Ung-tae provides "partywide" guidance. He consults Kim Chong-il and receives instructions from him on important matters. In short, Kye Ung-tae is a powerful man who holds all intelligence and inspection organizations under his control.

Chon Pyong-ho (70) and Han Song-yong (67) are both Political Bureau members and members of the party Secretariat. Chon is in charge of heavy industry, and Han in charge of machine and metal industries. They were appointed to the Secretariat after the Kim Chong-il era began. They are Kim Chong-il's intimate technocrats who have shared their political fortunes with him. Reportedly, Chon and Han—both children of revolutionary martyrs—stayed with Kim Chong-il for about six

months in Kim Il-song's residence before Mangyongdae Revolutionary Institute opened in 1946. They were among the children of fallen revolutionaries whom Kim Chong-suk [Kim Il-song's wife] looked after in her home. In this way these children entered into special relationships with Kim Chong-il from their childhood.

Chon Pyong-ho is an authority on theories on party building and has such outstanding writing ability that he has reportedly drafted theses and speeches for Kim Il-song and Kim Chong-il. Chon Pyong-ho is a member of the National Defense Commission. He is unique in that he is the only nonmilitary person in the commission besides Kim Chong-il, its chairman. In this position Chon pushes forward Kim Chong-il's stand by playing the role of a pipeline connecting the National Defense Commission to the party. Both Chon Pyong-ho and Han Song-yong are not only quick-witted, but also have profound expertise and an outstanding ability. Although their stars have not risen as fast as Kim Tal-hyon's, they have steadily maintained the tempo of their ascendancy and are regarded as important pillars propping up the Kim Chong-il heirloom.

So Kwan-hui (68), WPK secretary in charge of agriculture, is an influential person known as Kim Chong-il's intimate economic brain. He is recognized as an agricultural expert credited with the founding of the so-called *chuche*-based farming method.

Kim Kuk-tae (76), director of the WPK Department of Cadre Affairs, was among the first graduating class of Mangyongdae Revolutionary Institute. He is the son of the late Vice Premier Kim Chaek, who died during the Korean war. Kim Kuk-tae graduated from Kim Il-song University and studied at Moscow University. He is a bulwark and shield for the Kim Chong-il regime. A party theoretician, he was in overall command and supervision of political, ideological, and propaganda activities while serving as director of the WPK Department of Propaganda and Agitation in the 1967-1973 period. He was at the center of attention when he pushed forward the drive to found the unitary ideology system of the party. As part of this drive, he reorganized history research rooms into Kim Il-song research rooms.

Kim Kuk-tae played a decisive role in consolidating Kim Chong-il's power by ousting Kim Chong-il's stepmother, Kim Song-ae, and his uncle, Kim Yong-chu, from power. Reportedly, it was thanks to Kim Kuk-tae that the practice of hanging portraits of Kim Il-song and Kim Chong-il side by side was established.

Hwang Chang-yop (69), secretary in charge of ideology, and Yang Hyong-sop (71), speaker of the Supreme People's Assembly [SPA], are expert theoreticians. As such they are the ideological prop of the establishment and the "royal instructors" who teach the art of kingship to Kim Chong-il. Hwang Chang-yop, husband of Kim Il-song's niece, is a philosopher. After graduating from Kim Il-song University, he majored in philosophy at Moscow University. Upon returning from Moscow, he

filled the chair of philosophy at Kim Il-song University and began to demonstrate his ideological and theoretical talents. He became the SPA speaker in his forties and served in that post for three terms. Beginning in 1975 or thereabout when North Korea joined the Nonaligned Movement, Hwang Chang-yop visited more than 30 countries on over 20 occasions organizing *chuche* ideology research organizations in host countries. Thus he made a great contribution to the effort to muster the support of nonaligned nations by unfolding his so-called people-to-people diplomacy.

Reportedly, Hwang Chang-yop began to teach the art of kingship to Kim Chong-il when the latter was named heir apparent at the Seventh Plenum of the Fifth WPK Central Committee in September 1973. From then on he assumed responsibility as manager of Kim Chong-il's public as well as private life. He introduced Kim Hye-suk (43) to Kim Chong-il. They say Kim Hye-suk is Kim Chong-il's second wife. After Kim Chong-il divorced his first wife, Hong Il-chon, there was a two-year blank period. In the course of searching for a candidate for Kim Chong-il's second wife, Hwang Chang-yop uncovered Kim Hye-suk, a beautiful woman hailing from Hoeryong, North Hamgyong Province. She is a graduate of Kim Il-song University. Hwang worked hard to rewrite Kim Chong-il's experience and his background in such a way as to fit his position as heir apparent. Hwang arbitrarily changed Kim Chong-il's birth place from the Soviet Union to Mt. Paekdu, and greatly contributed to idolizing Kim Chong-il by inventing such epithets for him as "the Party Center," "the Dear Leader," and "the Sagacious Leader."

All North Korean state programs and all foreign proposals to North Korea must be approved after going through ideological scrutiny by the party's *chuche* ideology research group led by Hwang Chang-yop. Particularly, any plan directed toward South Korea and various South Korean proposals are said to be subject to double scrutiny by him. Hwang Chang-yop, the circumspect scholarly type, pays more attention to giving lectures on *chuche* ideology than discussing matters of mutual interest when he meets foreign guests. That is why foreign visitors who meet him often give their impressions by saying, "It was like receiving a college lecture."

Yang Hyong-sop is the only high-ranking North Korean official who hails from Cheju, South Korea. While attending Moscow University, he became acquainted with Kim Yong-chu. Thanks to this tie, Yang Hyong-sop became Kim Il-song's relative by marrying Kim Sin-suk (86), Kim Il-song's cousin. His face was familiar to us because he hosted receptions for the delegations to the second, fourth, and sixth rounds of North-South high-level talks in Pyongyang in his capacity as speaker. Because he was close to Kim Yong-chu, Yang Hyong-sop was demoted to president of the Academy of Social Sciences from a Standing Committee member of the Political Bureau in 1980. But he reemerged in the forefront of power as SPA speaker in April 1984. He

became a candidate member of the Political Bureau, thus rising in rank from 32d place to 18th.

The following are among the influential persons in charge of South Korean affairs—an important function in the North Korean power structure: Kim Yong-sun (59), party secretary for South Korean affairs, and Kwon Hui-kyong (66), director of the WPK Department of Investigations. In the personnel reshuffle last December, Ki Yong-sun lost his post as a candidate member of the WPK Political Bureau and slipped from 15th to 26th place in the ranking. This gives the impression that his power has been weakened. But judging from the fact that he still holds his position as party secretary for South Korean affairs, apparently he is still an influential person. According to recent reports, North Korea set up a high-power special measures group in preparation for sudden breakthroughs in its relations with the ROK, the United States, and Japan. Reportedly, Kim Yong-sun has taken charge of the U.S. unit. Kim, a tall massive figure, 180 cm in height and 90 kg in weight, is regarded as a key player in the North's policy toward the South.

An anecdote illustrates Kim Yong-sun's straightforward personality. In 1984 when he was the deputy director of the WPK Department of International Affairs, Kim Chong-il said to him: "Inasmuch as what the party's Department of international Affairs does falls within the realm of foreign relations activity, its members should practice social dancing, such as the polka." So, Kim Yong-sun organized a dance party in the courtyard of the party central headquarters building, to which members of his department and their wives were invited. At the sight, officials of other department exclaimed, "The international department is going wild," and squealed to Kim Chong-il. The plea that the dance party was held according to Kim Chong-il's suggestion was not accepted. The party Department of Organization and Guidance investigated the case and confirmed some "cases of love affairs." As a result, Kim Yong-sun and 70 employees, about half the total number of employees of the Department of International Affairs, were dismissed. Kim Yong-sun staged a comeback a year after this case, and in the end became director of the party's Department of International Affairs.

Kwon Hui-kyong is an expert on foreign information and collects information on South Korea. Apparently, he was chosen as the person in overall charge of this area because of his ability to collect and analyze information, a skill he learned while serving as ambassador to the Soviet Union for many years. While working as ambassador to the Soviet Union, Kwon Hui-kyong used to return home once or twice a year to provide Kim Chong-il with high-level information and thus succeeded to win his trust. The fact alone that Kwon served as ambassador to the Soviet Union for 15 years in two stints shows that he carries a lot of weight.

There is an anecdote that gives some glimpses of Kwon Hui-kyong's character and loyalty to Kim Chong-il. When Kwon was ambassador to the Soviet Union, Kim

Chong-il from time to time called him back for drinks. Each time he left Moscow for home, he kept not only his embassy staff but also then Foreign Minister Kim Yong-nam, his superior, in the dark about his trip home. As a result, occasionally there was a stir in the North Korean embassy because nobody knew where the ambassador was.

Kim Ki-nam (68), director of the WPK Department of Propaganda and Agitation, may be reckoned as another influential figure in the WPK. He has held this job since 1987 and is said to have very close personal ties with Kim Chong-il. Actually, he is regarded as one of Kim Chong-il's closest aides. Number-one writer in the party, Kim Ki-nam not only writes articles for Kim Chong-il, but also takes overall command of all information and propaganda. All famous slogans in North Korea—such as "Let us live in our own way!" and "Study in the manner of anti-Japanese guerrillas!"—are his brainchild or were brushed up by him. Kim Ki-nam; Hyon Chon-kuk, NODONG SINMUN editor in chief; and Kim Chong-suk, MINJU CHOSON editor in chief, are called the "Gang of Three" of the propaganda team.

The military in North Korea is strictly under the control of the party, but it has the potential of playing the most powerful role in an emergency. That is why the military is always the focus of attention. At present the military is regarded as one of the major forces buttressing the Kim Chong-il succession system. But according to experts on North Korea, it is difficult to predict the course the military might take after Kim Il-song's death. That is why the military must be watched most closely in connection with any possible change in power in North Korea.

Among the influential figures in the military, O Chin-u (78) may come first. He is a member of the Standing Committee of the Political Bureau and ranks third in the ranking order. He also holds the posts of minister of the People's Armed Forces, first vice chairman of the National Defense Commission, and member of the WPK Military Affairs Committee. As these titles suggest, he is the top man in the North Korean military. He belongs to the first generation of revolutionaries who engaged in anti-Japanese partisan operations under Kim Il-song. He actively supported the campaign to lay the groundwork for Kim Chong-il's succession to power, and was promoted to the rank of marshal in 1992. He has been constant in his loyalty to Kim Il-song and his son.

There is an interesting anecdote telling how O Chin-u came to be reverentially loyal to Kim Chong-il, who is inexperienced and so young compared with him. One day in the early winter of 1985—the year in which O Chin-u was promoted to the rank of vice marshal—while driving a Mercedes-Benz 450 alone through Sosong Street, Sosong District, in Pyongyang at about 0200, his car hit a concrete pole in front of the Memorial Hall honoring the victory in the Fatherland Liberation War. A policeman on patrol spotted the accident. Seeing the emblem of the vice marshal of the People's Army on O

Chin-u's shoulder, the watch bearing a Kim Il-song mark on his wrist, and the special license number on his car, the policeman immediately knew that the driver was a high-ranking official in the hierarchy and took him to the hospital immediately. Meanwhile, the story says, Kim Chong-il, informed of the accident, promptly took measures to save O Chin-u's life.

On the night before the accident, O Chin-u had a heated argument with Kim Chong-il at a drinking party about the question of dismissing O Kuk-yol. After the party was over, a frustrated O drove the car by himself leaving his driver and aide de camp behind, and had an accident on the way. That was the circumstance surrounding the accident. This anecdote is often cited to explain how O Chin-u came to be loyally devoted to Kim Chong-il, and how Kim Chong-il came to trust O Chin-u so much.

In connection with the future of North Korea, O Kuk-yol (65) draws more attention than O Chin-u. Reportedly, O Kuk-yol, a KPA general, is currently in charge of the party's Department of Operations. But in the future he is expected to be the minister of the People's Armed Forces. O Kuk-yol is a son of O Chung-hup, Kim Il-song's comrade-in-arms in partisan fighting. He was among the first graduating class of Mangyongdae Revolutionary Institute. He is an elite military officer who graduated from Kim Il-song University and a Soviet air force academy.

He was appointed as Air Force commander in 1968 at the age of 40. In the middle of the 1970's O Kuk-yol, together with O Chin-u, suppressed the forces in the military opposed to the system insuring Kim Chong-il's succession to power. From then on O Kuk-yol enjoyed the complete trust of Kim Chong-il. In 1979 he was promoted to KPA chief of General Staff with the rank of lieutenant general (equivalent to two-star general in the South) and became a candidate member of the Political Bureau. In this way he emerged as a key figure in the military.

However, while breezing along on the royal road to success, O Kuk-yol had to relinquish his post as KPA chief of General Staff, which he had led for 10 years, to Choe Kwang in 1988 because of his friction with O Chin-u. In those days O Kuk-yol, banking on Kim Chong-il's trust, ignored O Chin-u. As part of a scheme to oust O Kuk-yol, O Chin-u sent him to the Higher Kim Il-song Institute in January 1988 for a month-long training course. Meanwhile, O Chin-u presented a written evaluation report to Kim Il-song detailing irregularities committed by O Kuk-yol. As a consequence, O Kuk-yol was relieved as KPA chief of General Staff.

According to Ku Yong-hwan (41), a North Korean defector, O Kuk-yol is very popular among younger military officers. He is so popular that a saying circulates among North Korean military personnel that "if O Chin-u wages war, we might lose; but when O Kuk-yol does, we will win." The reason for O Kuk-yol's popularity is that, whereas O Chin-u has "the image of a senile

old man," O Kuk-yol looks like an intelligent man of vision. While serving as KPA chief of staff, O Kuk-yol made many reasonable suggestions, including the suggestion that, to promote the modernization of the military, military personnel be given more opportunities to have overseas training, and that military commandeurs be given more power so that they might not need to try to read the minds of political officers.

Another influential military figure who deserves attention alongside O Kuk-yol is Choe Kwang (76), KPA chief of General Staff. Choe Kwang, a vice marshal with background as a former partisan fighter, ranks next only to O Chin-u in the military. Dr. Kang In-tok, director of the Institute for Far Eastern Studies, regards Choe Kwang and Kim Kwang-chin (76), who symbolize the first generation of KPA soldiers, as persons to be reckoned with. Choe Kwang early on criticized the partisan-type antiquated North Korean military system and called for its modernization, and thus ended up losing his power.

The key figures in the North Korean military may be divided into two groups, one consisting of the first generation of partisan fighters, and the other consisting of military technocrats. KPA Vice Marshals Paek Hak-nim (76), Yi Ul-sol (74), and Chu To-il (78) belong to the former, whereas Generals Kim Tu-nam (66), Kim Kang-hwan (64), and Yi Pong-won (67) belong to the latter.

Paek Hak-nim is in charge of security matters as a member of the Military Affairs Committee and minister of public security. A veteran partisan fighter, he has been a close aide to Kim Il-song. He was a company commander of Kim Il-song's security force and later its overall commander. Paek Hak-nim is always associated with the legendary story that he rescued Kim Il-song from danger during an assault by his guerrilla unit on an area adjacent to the Tumen River bank. It is a well-known story throughout North Korea that Paek waded through the snow at the foot of the mountain in northern Manchuria searching for pine nuts for Kim Il-song who was completely exhausted in the icy winter weather there. Anyhow, thanks to this personal tie to Kim Il-song, Paek is also on intimate terms with Kim Chong-il. They say Paek brought from overseas the kinds of acoustic equipment and musical instruments Kim Chong-il liked as a gift for him.

Yi Ul-sol and Chu To-il, both members of the party Military Affairs Committee, head the General Bureau of Security and the Pyongyang Defense Command, respectively. These titles are indicative of their standing in the military. As a matter of fact, they have greater power than their positions suggest. Like Paek Hak-nim, they "have waited upon" Kim Il-song "near at hand." That is why, experts say, they are in a position to make the most of their unique ties to Kim Il-song and his son. The range of their activities is not limited to North Korea, and they are expected to go as far as it is necessary to prop up the

Kim Chong-il heirdom. They are expected to serve as a shield for the Kim Chong-il regime when Kim Il-song dies.

Kim Tu-nam, Kim Kang-hwan, and Yi Pong-won all belong to the second partisan generation and are graduates of Mangyongdae Revolutionary Institute. They belong to the military power elite. Kim Tu-nam and Kim Kang-hwan are former and current directors of the party Department of Military Affairs, respectively. These two and O Kuk-yol are called "the troika who established the unitary ideology system of the party in the military."

What draws attention in connection with the careers of Kim Tu-nam and Kim Kang-hwan is the fact that both formerly served as deputy chief of Section 13 of the WPK Department of Organization and Guidance. This department is one of the 22 departments under the party Central Committee, and it has 13 sections. To all intents and purposes, the Department of Organization and Guidance is the highest power center in North Korea. It provides party guidance to all party, government, and military organizations through personnel management and ideological scrutiny. It is common knowledge that when it comes to personnel affairs, background materials prepared by the Department of Organization and Guidance play a vital role in taking personnel actions with regard to officials at the same level as or at higher levels than provincial party secretaries (equivalent to the rank of provincial governor), vice ministers of the State Administration Council (same as vice minister of the cabinet), and general officers. The Department of Organization and Guidance was the public organization in which Kim Chong-il began his public career. The fact alone that Kim Chong-il still has this department under his personal control is indicative of its power.

Various information converges on the Department of Organization and Guidance in the form of a daily report so that the department can use it in making ideological evaluations of important cadres. The collected information covers everything about cadres, for instance, details of a drinking bout the director of a certain department had with a certain person for a certain number of hours; or details of the medical treatment a certain military general received and the doctor's opinion on the patient's condition. These bits of information are used in evaluating cadres. Therefore it is no exaggeration to say that in a sense a guidance functionary in the communications and transportation section of this department has more power than the minister of posts and telecommunications.

Section 13 of the Department of Organization and Guidance in charge of military affairs not only gives guidance for the correct implementation of the party's military policy but also actually exercises the power held by the party Military Affairs Committee and the National Defense Commission. This department is really all-powerful because it also directly controls the KPA Party Committee and the KPA General Political Bureau. From the fact that Kim Tu-nam and Kim

Kang-hwan once served as deputy director of this department in charge of Section 13, most probably they must have wielded immense power over the military.

Yi Pong-won is currently deputy director of the KPA General Political Bureau. O Chin-u being its director, Yi may be regarded as the de facto director. Yi, responsible for political control over the military, is in essence the special person Kim Chong-il dispatched to the military. He is expected to become next director of the General Political Bureau, succeeding Choe Kwang.

Persons emplaced in administrative, economic, and diplomatic positions in the State Administration Council are not as powerful as those in the party and military. But they are the ones who are charged with the task of finding practical solutions to difficult problems confronting North Korea, such as how to achieve economic development and how to improve North Korea's relations with the United States and Japan. That is why their roles are assuming added importance.

As far as we are concerned, technocrats in North Korean government organizations are the effective windows through which we can predict whether it is possible for North Korea to shift its direction to reform and opening. That is why attention is focused on these technocrats and the roles they are playing.

The State Administration Council, with the largest array of expert technocrats, is equivalent to our cabinet. But there are limits to its role because the party Political Bureau or Secretariat formulate all important policies and the State Administration Council draws up only detailed plans for their implementation. However, with the same influential persons holding both party and government positions, there are quite a few powerful persons in the State Administration Council.

Premier Kang Song-san (63) is Kim Il-song's cousin by a maternal aunt and the fourth-ranking member of the Political Bureau. He is a leading technocrat who has steered the North Korean economy together with Yi Kun-mo and Yon Hyong-muk. After graduating from Mangyongdae Revolutionary Institute and Kim Il-song University, Kang Song-san majored in economics at Moscow University. He started out as a guidance worker at the party Department of Organization and Guidance. He successively served as director of that department, responsible secretary of the Pyongyang Municipal WPK Committee, premier of the State Administration Council, and responsible secretary of the North Hamgyong Provincial WPK Committee before he was reappointed premier of the State Administration Council.

As is apparent from his blood ties to Kim Il-song and his career, Premier Kang Song-san is the top administrator in North Korea who has breezed along on the elite track. In a sense it is quite natural that his name is adorned with such epithets as "the front-runner of the new generation" and "the man at the head of the second generation of revolutionaries." Kang Song-san has been reckoned as one of the few trump cards that North Korea

can use in reviving its economy. This can be easily understood when one traces the footsteps he has taken until now. This is because his career and North Korea's economic development and policy for opening are closely linked.

Kang Song-san was appointed to the premiership for the first time during the third session of the Seventh SPA in January 1984. At this session he, then first vice premier, delivered a speech titled "On Stepping Up South-South Cooperation and External Economic Activities and Further Developing Trade Activities." After this speech, he was named premier of the State Administration Council. His speech drew attention because it was unique in that it called for active economic exchanges with capitalist countries.

During his premiership, North Korea enacted the joint venture law in September 1984 to facilitate ventures with foreign enterprises. In December of the same year North Korea established the External Economic Committee. He was relieved of his premiership in December 1986. Later, in March 1988, he was appointed as responsible secretary of the North Hamgyong Provincial WPK Committee. It appeared that he was demoted from the premiership to a position equivalent to provincial governor. But in the intervening years he worked out the plan for the development of "the Najin-Sonbong Free Economic and Trade Zone."

Opinions differ about his image as a proponent of reform and opening that his career projects. Some say that, given the nature of the North Korean regime, Kang just acted administratively each time Kim Il-song and his son issued instructions and that the measures for opening he took were not of his making. Others, on the other hand, claim that it is a fact that, despite certain limitations, Kang Song-san has pushed for the opening of North Korea.

It is said that there are more than 10 vice premiers in the North Korean State Administration Council. Relatively well-known among them are: Choe Yong-nim (68), Kim Hwan (64), and Hong Sok-hyong in charge of the economy; and Kim Yong-nam (69) in charge of foreign relations.

Many observers predict that some day Choe Yong-nim and Kim Hwan will become premiers of the State Administration Council. This is to say that Kim Chong-il trusts them that much. According to these observers, Choe Yong-nim, a veritable retainer for the Kim Il-song clan, might become premier if the Kim Chong-il heirdom is beset with trouble, or if an economic crisis erupts and voices mount demanding accelerated opening to the outside world and faster economic development.

Choe Yong-nim, vice premier and minister of metal industry, is a retainer of the Kim Il-song family who early on served as senior secretary of the presidential palace. He is known for his meticulous character and his mental agility. He is said to be fluent in Russian, English,

and Japanese. After becoming a vice premier in February 1984, he consolidated his position as the nucleus of administrative and economic organizations. He was relieved as vice premier in October 1985, but staged a comeback as a candidate member of the Political Bureau, vice premier, and chairman of the State Planning Committee in May 1990.

Vice Premier Kim Hwan once appeared to have been purged for a while but later staged a comeback. He is regarded as a would-be reformist in the Kim Chong-il era. He graduated from Kim Il-song University and Karl Marx School of Engineering in East Germany. He once served as a member of the Political Bureau of the WPK Central Committee and a member of the party Secretariat, and subsequently held other important jobs. He tried to set up a Chinese-type special zone in Kim Chong-suk County, Yanggang Province. Kim Hwan came out with that idea when Kim Chong-il was groping for some changes after he had consolidated his position as heir apparent at the Sixth WPK Congress. Although Kim Chong-il endorsed Kim Hwan's plan, Kim Il-song rejected it, and as a result, Kim Hwan was ousted from his post.

Hong Sok-hyong was named vice premier and chairman of the State Planning Committee succeeding Kim Tal-hyon in last December's reshuffle. He is a grandson of Hong Myong-hui and a son of Hong Ki-mun, former vice president of the Academy of Social Sciences. The background of his career advancement draws attention. Hong Sok-hyong successively served as first minister of metal industry in the State Administration Council and as a candidate member of the WPK Central Committee. He has been the responsible secretary of the Kim Chaek Iron and Steel Complex WPK Committee since 1988. He is known for his expertise in metals in particular and in science and technology in general. His latest promotion has prompted speculation that the focus of North Korea's economic policy will shift to economic activities in the field.

In connection with Hong Sok-hyong's role, it is noteworthy that he is concurrently chairman of the State Planning Committee. In a socialist state under a thoroughgoing economic planning system, the duties of the state planning committee are very important indeed. As a matter of fact, it has been customary for North Korea to assign big wheels to the chairmanship of the State Planning Committee. Particularly in view of the real condition in North Korea, which is in a transition period, we can easily imagine the great hope the party leadership might pin on Hong Sok-hyok.

Kim Yong-nam, foreign minister and concurrently member of the Political Bureau, is the godfather of North Korean diplomacy after the late Ho Tam. He was born a son of a railway worker in North Korea. After graduating from Kim Il-song University, he studied at Moscow University. Upon returning from Moscow, he embarked upon his career as a party bureaucrat in the

party Department of International affairs. As a diplomatic technocrat, he concentrated on European diplomacy until the late 1970's and on Southeast Asian and African diplomacy beginning in the 1980's. He has long served in the bureaucracy, probably because he is the type who stands aloof from factionalism or sectarianism. Attention is focused on how he will deal with outstanding issues, such as the IAEA nuclear inspection issue and the problem of improving North Korean relations with the United States and Japan.

Yi Hwa-son (58) and Kang Sok-chu (55) cannot be counted out from the list of influential figures in North Korean diplomacy. Yi Hwa-son is deputy director of the party Department of Organization and Guidance in charge of Section 2 of the department. He is not conspicuous to outsiders, but he is said to exercise very strong influence on North Korean diplomacy. He holds the right of personnel management over all North Korean diplomats except Kim Yong-sun and Kim Yong-nam. Even Vice Foreign Minister Kang Sok-chu is said to be cowed in his presence.

Lately Kang Sok-chu has become a "star diplomat" as he often appears before mass media in his capacity as North Korean delegate to U.S.-North Korean negotiations on the nuclear facilities inspection issue. Kang, currently vice minister of foreign affairs, emerged as an important diplomat when he addressed the UN General Assembly as senior North Korea delegate when North Korea was admitted to the United Nations in late 1991. He is classified as a typical technocrat. Very little is known about the background of his career. The period in which he began to cut a conspicuous figure in the North Korean Foreign Ministry coincided the period in which the campaign to establish the Kim Chong-il heirdom was in full swing. This may suggest that Kang Sok-chu may be one of the Kim Chong-il intimates.

According to Ko Yong-hwan, a former North Korean diplomat who defected to the South, Kang Sok-chu is a man who is "intelligent, skillful in adapting himself to circumstances, and fond of reproaching others to their faces." Kang stands ready 24 hours a day to answer the call of Kim Chong-il at any time. According to Ko, when Kim Chong-il calls up the Foreign Ministry at 2300, Kang moves from room to room in shirtsleeves and slippers to collect papers in person instead of using the intercom and fax machine.

Experts on North Korea say that, inasmuch as Kim Chong-il set it as his strategic goal to establish diplomatic relations with the United States and Japan, he will have no choice but to keep Kang Sok-chu in important posts because of his proficiency in English and expertise in diplomacy toward the West. The future courses of the "faded stars" like Yon Hyong-muk (62) and Kim Tal-hyon (54) deserve attention. These two are well-known to us as the former premiers of the State Administration Council who attended the high-level inter-Korean talks. Although they are removed from the top post in the

central government, they are expected to stage a comeback in view of their outstanding abilities as economic technocrats. Inasmuch as they are typical North Korean proponents of opening to the outside world, much is to be expected from them when inter-Korean economic cooperation moves into high gear.

Yon Hyong-muk, a native of North Hamgyong Province, graduated from Mangyongdae Revolutionary Institute and the Ural College of Engineering in the Soviet Union. After he became a guidance worker at the party Department of Organization and Guidance, he continued to climb the bureaucratic ladder and was elected to the party Central Committee in 1970 at the age of 38. In 1974 he was named a member of the Political Bureau and the party Secretariat. He is regarded as the foremost front-runner among the elite technocrats. After emerging as the number-one heavy industry expert, he became premier of the State Administration Council in December 1988. But he was demoted to responsible secretary of the Chagang Provincial WPK Committee at the Fourth Session of the Ninth SPA for his failure to fulfill the economic plan.

Yon Hyong-muk is known as a cautious and learned man with outstanding powers of judgment. Commenting on his personality, a defector from the North said, "If Kang Song-san knows only one side of a particular issue, Yon Hyong-muk will know three sides." Yon Hyong-muk currently is a candidate member of the Political Bureau. Therefore it is hard to conclude that he has been ousted from power.

We can guess the future standing of Kim Tal-hyon on the same basis as in the case of Yon Hyong-muk. Once he was called an "immediate candidate for the premiership," but he suddenly disappeared from the front stage of the power scene late last year. At that time speculation persisted that he just took responsibility for the slowdown in economic development as a matter of formality, and therefore he cannot be regarded as ousted from power completely. Observers attach weight to Kim Tal-hyon not only because he is a rare economic expert in North Korea but also because he is the husband of Kim Il-song's cousin once removed. Viewed from this angle, recent reports that Kim Tal-hyon has taken charge of a special measures team on South Korea deserve attention.

According to Ko Yong-hwan, Kim Tal-hyon says what he has to say even in front of Kim Il-song. In brief, he is the only man in the administration who can say "No" to Kim Il-song. That is why Kim Il-song sometimes characterizes him as "an arrogant but intelligent man."

There is the rumor that Kim Tal-hyon has been demoted as a warning because he appeared to be the head of the reformist group.

As is apparent from the above analysis, the North Korean hierarchy consists of the intimates of Kim Il-song and Kim Chong-il without exception. In the socialist regimes in the Soviet Union and China, squabbles about party lines or policies begot factions, and

factionalism gave rise to power struggles. But it seems that North Korea maintains a nearly perfect patriarchal leadership structure centering on Kim Il-song and his son.

This feature of the North Korean power elite is a by-product of the process in these past 20 years by which the Kim Chong-il leadership has thoroughly consolidated its support base while laying the groundwork for the succession of power. Nevertheless, an analysis of major players in the apparently monolithic North Korean power elite reveals some elements of factionalism.

First, the power elite has a strong characteristic of nepotism. Its salient feature is that many of Kim Il-song's relatives are entrenched in the center of power. The relatives of Kim Il-song and his son number more than 20. They include: Kim Song-ae, Pak Song-chol, Yang Hyong-sop, Hwang Chang-yop, Kang Song-san, Kim Chung-nim, Kim Tal-hyon, and Kim Yong-sun.

According to an analysis by a research team headed by Dr. Chon Hyon-chun at the Research Institute for National Unification, about 7 percent of the full members of the WPK Central Committee are Kim Il-song's relatives by blood and marriage. Considering the fact that it is difficult to ascertain the kinships because of the closed nature of North Korean society, the ratio must be much greater than that. About 50 percent of these relatives on the Central Committee are above the 30th place in the ranking order. This ratio squares with the fact that five members of the Kim Il-song clan are among the first 10 places in the ranking order of the Political Bureau.

Second, graduates of particular schools are conspicuously numerous. Graduates of Mangyongdae Revolutionary School, which has courses from kindergarten to high school, account for 3 percent of officials with the rank of vice minister and above and 13 percent of the full membership of the Central Committee. These figures are only confirmed ones, and the actual numbers may far exceed them.

As for colleges and universities, Kim Il-song University and Kimchaek Polytechnic College top the list by a large margin. The ratio of graduates of the Kimchaek Polytechnic College is increasing, reflecting the tendency to attach greater importance to expert technocrats. Of those who studied abroad, 70 percent studied in the Soviet Union.

All this indicates that the path from Mangyongdae Revolutionary Institute to Kim Il-Song University to universities in the Soviet Union has been the typical academic track for the North Korean power elite. Mangyongdae Revolutionary Institute is a special school that admits only bereaved children of fallen revolutionaries and children of high-ranking officials. Anyone who enters this school will automatically be put on an elite track.

The regional distribution is also interesting. Overall, those who hail from Hamgyong Provinces and Pyongan Provinces account for a large proportion. Particularly in the Central Committee, those from Hamgyong Provinces account for 48.4 percent of the total full members, although the population of North and South Hamgyong Provinces accounts for 22.6 percent of North Korea's total population according to 1990 statistics. There is a historical factor behind the overwhelming large proportion of natives of Hamgyong Provinces in the power elite. It is said that Kim Il-song was reluctant to employ people from the areas that were once under the control of UN forces during the Korean war because, in his opinion, the temporary occupation compromised their social integrity. For this reason, he filled key posts with people from the Hamgyong Provinces, particularly North Hamgyong Province.

On the basis of our analysis of the key figures in the North Korean power elite and the peculiarities of their personal connections, we wonder whether it is possible to prognosticate about the possibility of change in the power structure in North Korea, particularly the possibility of the Kim Chong-il regime disintegrating after Kim Il-song dies.

Experts on North Korea admit that the process of succession of power to Kim Chong-il has progressed successfully. But they predict that when Kim Il-song dies, the present atmosphere of unconditional loyalty to Kim Chong-il might undergo considerable change. Kim Chong-il may be able to take over the reins of government from Kim Il-song, but it is impossible for him to inherit his father's charisma. That is why, experts say, there is bound to be a centrifugal force at work within the power elite.

Dr. Chon Hyon-chun gave the following estimate about the possibility of change in the power structure in North Korea:

"The cohesive power of the Kim Chong-il power elite is stronger than that of the power elite in any other socialist country. That is why, supposing Kim Chong-il will take control of North Korea after Kim Il-song dies, it might not be until at least three to five years after the succession of power that factional moves begin to appear. If factionalism appears in North Korea, it will be triggered by strife between the relatives of Kim Il-song and Kim Chong-il and a group of expert bureaucrats who are not their relatives."

In this regard Dr. Kang In-tok says that it is necessary to watch the first 1.5 generations of revolutionaries as well as the military. This generation of revolutionaries has been relatively alienated by the North Korean regime and might find it difficult to regard Kim Chong-il as a qualified successor to power. Therefore, when Kim Il-song dies, this generation might not show much reverence to Kim Chong-il.

In the military are many who have experienced life in the Soviet Union and East Europe. Therefore, experts say, these military officers are bound to question the appropriateness of Kim Chong-il as Kim Il-song's successor when the senior Kim dies. It is said that as a rule the party controls the military in a socialist country. However, experts say that this is true only in peacetime, and in times of emergency the military would control the party. In this event technocrats might join the anti-Kim Chong-il move in alliance with the anti-Kim Chong-il group, although not as its leading force.

If so, we are interested in the question of who could be the center of the anti-Kim Chong-il force in such an emergency. In this connection, some observers pay attention to Ambassador to Bulgaria Kim Pyong-il (41), who is Kim Chong-il's half-brother. But the dominant view is skeptical about Kim Pyong-il because of his youth and lack of experience. Nevertheless he remains a factor to be reckoned with because he resembles Kim Il-song and is more popular than Kim Chong-il.

We cannot ignore the outlook that, as examined above, the North Korea power elite would not change so easily. Some critics question the claim that in North Korea there is conflict between hard-liners and moderates or between conservatives and proponents of opening. In the opinion of these critics, we should not overlook the fact that people like Kim Tal-hyon, who are regarded as belonging to the group of proponents of opening, in reality have a strong party spirit as well as expertise and they are not diehard proponents of reform and opening.

In conclusion, if there is to be any change in the North Korean power structure, chances are high that change will appear after Kim Il-song's death. In this event, how the "powerful" military and the group of expert bureaucrats who have relatively good rational judgment, as well as the group of people who are not related to Kim Il-song by blood or marriage and who have been left out of power, will act will be the most crucial factor.

Burma

Cuban Foreign Minister Arrives 12 Mar

*BK1303072294 Rangoon Radio Burma in Burmese
1330 GMT 12 Mar 94*

[Text] At the invitation of U Ohn Gyaw, minister of foreign affairs of the Union of Myanmar [Burma], a seven-member Cuban delegation led by Roberto Robaina Gonzalez, foreign minister of the Republic of Cuba, arrived this evening on a Thai International flight for a visit to Myanmar.

The Cuban foreign minister and delegation were welcomed at the airport by Foreign Minister U Ohn Gyaw, Deputy Foreign Minister U Nyunt Swe, and high-ranking officials from the Ministry of Foreign Affairs.

Foreign Affairs Minister U Ohn Gyaw received the visiting Cuban foreign minister at Karaweik Hall at 1800 this evening. They held a meeting during which they exchanged views on matters of bilateral interests in a friendly and cordial manner. At the meeting, the Myanmar side was represented by Foreign Affairs Minister U Ohn Gyaw, Deputy Foreign Affairs Minister U Nyunt Swe, and high-ranking officials, while the Cuban side was represented by the visiting Cuban foreign minister and delegation.

At 1930, Foreign Affairs Minister U Ohn Gyaw hosted a dinner for the esteemed guests.

Meets Officials, Departs 14 Mar

BK1403154394

[Editorial Report] Rangoon Radio Burma in Burmese at 1330 GMT on 14 March provides several reports on the activities of Cuban Foreign Minister Roberto Robaina Gonzalez during his visit to Burma.

Senior General Than Shwe, chairman of the State Law and Order Restoration Council, SLORC, and commander in chief of the Defense Services, at 1000 this morning received the visiting Cuban delegation led by Mr. Roberto Robaina Gonzalez, foreign minister of the Republic of Cuba, at the Defense Ministry's Dagon House. Also present were Lieutenant General Maung Aye, deputy commander in chief of the Defense Services and Army commander in chief; SLORC Secretary-1 Lt. Gen. Khin Nyunt; SLORC Secretary-2 Lt. Gen. Tin U; Foreign Minister U Ohn Gyaw; and Protocol Department Director General Thura U Aung Htet.

At 1100, the Cuban delegation paid a courtesy call on Deputy Prime Minister Vice Admiral Maung Maung Khin at the latter's office and held frank and cordial talks on matters relating to foreign investment, economic cooperation, and promoting bilateral goodwill.

At 1430, the visiting delegation called on Trade Minister Lt. Gen. Tun Kyi at the Trade Ministry and held talks on bilateral economic and trade matters.

At 1330, the Cuban foreign minister and delegation met and held cordial talks on social and economic matters with Burmese traders and entrepreneurs at the Union of Myanmar Chamber of Commerce and Industry on Bo Son Pet Road.

The Cuban foreign minister and delegation this afternoon left Burma for Cambodia. They were seen off at the airport by Foreign Affairs Minister U Ohn Gyaw, Deputy Foreign Affairs Minister U Nyunt Swe, and other ranking officials from the Ministry of Foreign Affairs.

Khin Nyunt Outlines Police Force Reform

*BK1503053894 Rangoon Radio Burma in Burmese
1330 GMT 14 Mar 94*

[Excerpts] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC], at 1200 today met with officers of the People's Police Force [PPF] at the Ministry of Home Affairs located at the corner of Sethmu-1 Road and Saya San Road. He discussed PPF work and delivered an address.

Lt. Gen. Khin Nyunt explained that the major responsibility and objectives of the PPF are crime prevention to ensure law and order, local peace, and tranquillity; to expose and investigate crimes, arrests, and collect evidence against offenders; to take legal action; and to provide local security.

He said a review of the current state of the PPF shows that the time has come to change and reform the law, methods of operation, and practices. Therefore, he said, the SLORC has formed the Committee To Reform the Administrative System of the PPF with ranking officials with a view to reforming the spirit, discipline, and methods of operation based on the administrative and training system of the entire PPF. The committee will review and scrutinize the current system of PPF administration, intelligence, legal action procedure, and the PPF training system. It will also attempt to promote public trust in the PPF, eradicate graft and corruption, prevent the deliberate use of power to create hardships for the people, and to eradicate undesirable practices inherited from the colonial era. He said the committee was empowered to lay down the necessary rules, regulations, and procedures to reform the administrative and training system of the PPF, amend the existing laws, and enact new laws. [passage omitted]

In conclusion, he called on the members of the PPF to use their mental and physical powers to help reform the PPF administrative system. He called on them to get eliminate undesirable habits and practices left over from the colonial era and to strive to become a PPF well loved by the people. [passage omitted]

Brunei, Malaysia & Singapore**Malaysia****Sabah Chief Denies Reports of Resignation***BK1403133794 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 14 Mar 94*

[Text] Sabah Chief Minister Datuk Joseph Pairin Kitingan has denied reports that he is stepping down following the political crisis he is now facing. In a statement issued to reporters in Kota Kinabalu this evening, he said he has no intention to resign as chief minister so long as his services are needed by the people. The statement was released by (Lucy Yong), press secretary of the chief minister, at the Sri Gaya official residence at about 1945 this evening.

The statement followed a report that Dr. Jeffrey Kitingan, Pairin's younger brother and an assemblyman from Bingkor, had announced Pairin's offer to step down to avoid a political crisis. Dr. Jeffrey was also reported that he would inform the prime minister about the offer in Kuala Lumpur this evening.

Two Assemblymen Resign; New Sabah Party Formed*BK1503064894 Kuala Lumpur Voice of Malaysia in English 0600 GMT 15 Mar 94*

[Text] Two more Parti Bersatu Sabah [Sabah United Party, PBS] state assemblymen today quit the party which has now lost its majority in the state legislative assembly. Deputy Chief Minister Datuk Chau Tet Onn and the assemblyman for Sembulan, Encik [Mr.] Chau Chin Tang, who announced their resignations from the PBS at a press conference at the Istana Hotel in Kuala Lumpur, said they will join Barisan Nasional [National Front, BN].

Chau, the assemblyman for Api-Api, said he was joining the Liberal Democratic Party, LDP, a component of the BN.

They were the latest two defections of the three-week old PBS state government led by Chief Minister Datuk Joseph Pairin Kitingan, who lost its majority in the state assembly made up of 48 elected representatives and six nominated assemblymen.

The defections of PBS assemblymen since Saturday reduced the PBS majority of 25 elected representatives and six nominated assemblymen to 24 seats—five of them nominated members compared with 40 for BN.

The PBS, which won 25 seats in the state election on 18 and 19 of last month giving it a simple majority, formed the new government on the 22d and appointed six more assemblymen as provided for under the state constitution.

Meanwhile, Datuk Dr. Jeffrey Kitingan has confirmed that he will lead the newly formed Parti Bersatu Rakyat Sabah [United Sabah People's Party] and which is to be launched in Kota Kinabalu today. He told newsmen before leaving Kuala Lumpur for Kota Kinabalu that the new party will be a multi-racial party and will apply to join the Barisan Nasional. Datuk Dr. Jeffrey will explain to the people of Sabah as to why he is taking such a move. He will also brief his brother, Datuk Joseph Pairin Kitingan, of his intention to leave PBS and join the new party.

National Front To Form New Sabah Government*BK1503102494 Kuala Lumpur Voice of Malaysia in English 0800 GMT 15 Mar 94*

[Text] The Barisan Nasional [National Front, BN] will wait for a right time to approach Sabah Governor Tun Mohamed Said Keruak to form a new state government in accordance with the Constitution. The situation is not clear yet. Prime Minister Datuk Sri Dr. Mahathir says the BN will have a majority in the State Legislative Assembly following the crossing-over of several Parti Bersatu Sabah [Sabah United Party, PBS] assemblymen and the formation of Datuk Dr. Jeffrey Kitingan of a new party which wants to join the BN. He told newsmen after holding a Hari Raya [end of fasting month] open house at Sri Perdana for VIP guests that the BN will implement its manifesto. The first sitting of the Sabah State Assembly after last month's state elections is slated for Friday.

Datuk Sri Dr. Mahathir, who is also UMNO [United Malays National Organization] president, said the PBS now has less than half the number of seats in the assembly even with the inclusion of six appointed assemblymen. He also warned that three-quarters of the PBS assemblymen are expected to switch to the BN.

The prime minister also said the BN will approve the application by the new Parti Bersatu Rakyat Sabah [United Sabah People's Party, PBRs] to join the coalition. The PBRs was launched today in Kota Kinabalu with Joseph Kurup as pro-tem president and Dr. Jeffrey as its deputy. Datuk Sri Dr. Mahathir said the BN would fulfill its promise to rotate the chief minister's post among the three major groups in the state with each leader serving a two-year term. When asked to comment on his meeting with Bingkor State Assemblyman Datuk Dr. Jeffrey Kitingan at Sri Perdana last night, Datuk Sri Dr. Mahathir said no specific decision was made. He, however, pointed out that all agree to form a government that is responsible and works together with the Sabahans and not by a small group only.

Cambodia**Radio: Hun Sen To Seek Sam Rangsi's Dismissal***BK1503060494 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 14 Mar 94*

[Text] At a recent meeting, a group of FUNCINPEC [National United Front for an Independent, Neutral,

Peaceful, and Cooperative Cambodia] MP's reportedly asked: What is the purpose of puppet Hun Sen's visit to the king on 15 March? Some said as the Tokyo conference had already ended, Hun Sen will go to ask the king to dismiss Sam Rangsi as finance minister and replace him with puppet Cham Prasit [state secretary for finance], who will heartlessly extort money from the people. Moreover, with Cham Prasit as finance minister, Hun Sen can spend financial aid at will.

Others said: Today, he asks the king to remove Sam Rangsi; tomorrow, he will ask for the dismissal of others who have not surrendered to him. In the end, he will control, then completely eradicate FUNCINPEC. This shows that the only thing Vietnamese communist Hun Sen understands is destruction, not national reconciliation or national unification. He also understands only the Vietnamese communists' dictatorship. As for Prince Ranariddh, all he can do is bow and scrape before him.

The MP's further said that Prince Ranariddh was well aware of this move because he was colluding with Hun Sen to remove Sam Rangsi. But he will not go to Beijing as he is afraid of being seen as too obviously involved in the matter.

Some other MP's said Hun Sen's visit was to ask the king to grant him the title of Samdech Krompreah. Prince Ranariddh is afraid of him, so why should the prince have a higher title than he? Moreover, he also wants to have a higher title than that of puppet Chea Sim and puppet Heng Samrin. The MP's added that Hun Sen will certainly boast that he had won this or that victory and will threaten the king not to achieve national reconciliation. Puppet Hun Sen is extremely insolent, so he will resort to this method, no matter what. He knows nothing about right and wrong since he totally obeys the orders of the Vietnamese communists, his masters.

In sum, puppet Hun Sen's visit to the king is not to seek a solution, but to create more problems for FUNCINPEC and our nation and people. He never thinks about national reconciliation or peace. He thinks only about reinforcing and expanding his Vietnamese communist power and threatening the king so he can eliminate resistance forces and other national forces with the aim of doing away with the Cambodian nation and race.

The nation and people are keeping an eye on the farce.

Radio Reports Battambang Battles on 4, 8 March

BK1303090594 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 12 Mar 94

[Text] There are reports saying that on 4 March, troops of communist Vietnam's puppets and the two-headed government launched a four-pronged attack against the people in the areas on both side of Route 10 in Battambang Province.

The first prong moved from Kamping Puoy toward Don Peou; the second prong from Treng toward Veal Thom and Buo Charak hill; the third prong from Sdau toward Neang Len hill; and the fourth prong from Snoeng toward Buon Chuo.

The people and the National Army of Democratic Kampuchea [NADK] cooperated and smashed and routed this attack on the evening of the same day. We killed 53 enemy soldiers on the spot, including a colonel, two majors, and three lieutenants and wounded a great number of others. We destroyed 35 assorted weapons and some assorted ammunition and seized 15 AK's, three B-40's, a 60-mm mortar, and some ammunition.

On 8 March, troops of communist Vietnam's puppets and the two-headed government launched a two-pronged second attack along Route 10. The first prong moved from Treng toward Tuol village on Route 10 and the second from Kamping Puoy and Chrouy Sna toward Kaoh Chen Don Peou. The people and the NADK cooperated and completely routed this attack for the second time. We killed or wounded over 80 enemy soldiers; destroyed 31 assorted weapons and a quantity of other war materiel; and seized 49 assorted weapons and some ammunition.

Concerning the above attacks, people clearly know that the puppets of communist Vietnam and the two-headed government continue to fuel the war of the communist Vietnamese aggressors; they do not want national reconciliation and peace.

Goods Subject to Tax Exemption, Reduction

BK1403123094 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 7-8 Mar 94 p 4

["Announcement"]

[Text] By virtue of the remarks made by Prince Krompreah, first prime minister, concerning his initiative to raise living standards, rehabilitate and develop the whole nation, and promote and quickly improve education and sports, and also by virtue of instruction from the royal government, the Ministry of Economy and Finance would like to inform the general public that the importation of the following goods:

- A. is subject to a total tax exemption:
 - farming supplies and equipment, such as fertilizer, insecticides, power tillers, water pumps, spades, hoes, animal breeds, seeds, plows, rakes, and so on.
 - school equipment, such as textbooks, pencils, ball-point pens, blackboards, erasers, and so on.
 - sports equipment, such as athletic gear.
 - medicines that have been inspected and approved for import by the Ministry of Public Health.
 - kerosene for lighting.

- B. The following consumer goods and utensils are subject to a duty reduction from 35 percent to 7 percent:

—instant noodles, canned fish, cakes, sweets, candies, condensed milk, fresh milk, bowls, needles, thread, cotton thread, all kinds of buttons, elastic bands, and so on.

[Signed] Sam Rangs, state minister and minister of economy and finance

Indonesia

Paper Views Australia's Naval Base Expansion

BK1503112094 Jakarta KOMPAS in Indonesian
26 Feb 94 p 4

[Editorial: "The Time Has Come for Australia To Cease its Suspicion of Indonesia"]

[Text] On Wednesday 23 February, Australian Defense Minister Robert Ray announced Australia's plan to expand its naval base in north Australia. The objective is to accommodate its large warships, particularly the Navy's 1,200-ton patrol vessels. He stated that Australia's northern region will definitely remain as the most important and strategic base for its Armed Forces. Apart from this, the development of infrastructure for its Navy will enable the country to launch more effective maritime operations.

A before the announcement, Defense Minister Ray stressed that Indonesia is a "key nation" for Australia, in its strategic alliance, along with the other countries in the Asia-Pacific region. He presented a 75-page doctrine on security which for the first time unfolded the regional security situation since the end of the Cold War. He said other nations should first override Indonesia as an effort toward "assuring" the region's security. This means that our national and regional defense will be able to endure and suppress any ideological or physical threat.

In December 1993, Australia's neighbor New Zealand, viewed with less importance the security in its northern region. According to their Defense Minister Gerald Hensley, his country's military was more concerned over the huge purchase of weapons by Asia-Pacific countries. He believes that these countries will continue their arms build-up at an annual rate of U.S.\$131 billion until 1995. He also stated that by the end of the decade, the maritime network SLOC (Sea Lanes of Communication) [preceding expansion in English], which connects New Zealand and the rest of the Asian countries, will be patrolled by 1,800 modern Navy patrol craft, three dozen submarines, and 200 modern warships.

Presently, most Australians believe that Indonesia forms a "threat from the north" and which still harbors a secret ambition of attacking the country. Whether we like it or not, we must accept this—the same suspicion we had regarding China as our threat from the north.

Australian and New Zealand officials are relentlessly embarking on diplomatic efforts toward forging more

cordial relations regarding the Asia-Pacific region's security issues—particularly with Indonesia. Australia and New Zealand, as the only "white group" in the region, have indicated their desire to lessen their dependence on the West, especially the United States and Britain. In this context, we observed that the ANZUS (Australia, New Zealand and the United States) military pact has become less effective. The two nations have increased their military cooperation through FPDA (Five Power Defense Arrangement), which also groups two other Asian nations—Malaysia and Singapore.

We also know of Australia's series of foreign policies which point to its good intentions of being identified as one of the countries belonging to the Asian grouping which undertakes the task of hastening the peace process in Cambodia; proposing reforms in APEC through cooperation [preceding word in English] toward becoming a community [preceding word in English]; advocating the desire of establishing an Asia-Pacific peace group to carry out the responsibility of maintaining international peace and security; and urge Australia's formidable opposition party, the Labor Party, to induce Prime Minister Paul Keating into fostering military cooperation with ASEAN.

Currently, Australia has also become one of the potential countries selling weapons to Asia-Pacific countries. Indonesia—along with South Korea, Thailand, Singapore, and Malaysia—are attracted and are considering purchasing the diesel-powered Swedish designed Collins class submarine. As the Australian Navy is also operating this submarine, it could be considered that the sale is one of the efforts in the sale of "standard" military weapons to the region, a proposition currently being discussed by the region's major governments. Apart from this, Australia has a vision to become the Asia-Pacific region's submarine production center.

Australia and Indonesia held their joint land military exercises in 1993 involving a number of their special task forces personnel. The two countries also held a 10-day joint naval exercise in August 1993. Two thousand personnel, 14 warships and six fighter aircraft from the two countries participated in the exercise—the biggest joint military exercise held over the past 10 years. A joint air exercise was also conducted in November 1993 in Sumatra where Australia's F-18 Hornets and Indonesia's F-16 Fighting Falcon aircraft participated.

Following this, an annual bilateral meeting on defense cooperation was held in Jakarta centered on restructuring defense relations with Indonesia. The restructuring is aimed at establishing a formal defense cooperation structure similar to that which Australia has with Malaysia and Singapore. It is also understood that Indonesian troops will be invited to participate in the upcoming land military exercise to be hosted by Australia in north Australia. Even though criticism was hurled at the Indonesian Government by the Australian press, Indonesia-Australia defense cooperation, nonetheless, continues to remain intact since 1986.

The time has come for Australians to eliminate all their suspicions about Indonesia being a potential threat given the above facts. Meeting with the visiting Australian Navy chief, Al Beaumont, at Bina Palace last year, President Suharto gave the assurance that Indonesia poses no threat to its neighbors and has no intention to threaten any other nations as this is in accordance with its defense and security policy. The assurance was issued within the context of Indonesia's purchase of 39 former East German warships which spontaneously created undue concern even though such a purchase was in line with Indonesia's need.

It is true that the regional security situation is unpredictable during the post-Cold War era. Therefore, this will be the first occasion where ASEAN nations can freely and openly discuss issues pertaining to regional politics and security during the ASEAN Regional Forum (ARF) in June in Bangkok. During the session, ASEAN foreign ministers have the opportunity to meet and hold discussions with their dialogue partners, including Australia's Foreign Minister Gareth Evans, known for his active participation in discussions on politics and security. This will be a good opportunity for Australia to grasp and assimilate political and security nuances in the Asia-Pacific region which will not be restructured by any Western influence.

It can be clearly perceived that the Indonesia-Australia bilateral security cooperation continues to remain good. Australia's participation in the ARF has also indicated that it will greatly benefit by understanding "Asian trends"—that is, if it still desires to be integrated into the Asian region. But all this will still prove inadequate until the Australian Government can convince its people that the Indonesian Government is not expansionist. We have been waiting for a long time for such a declaration. Such an announcement will enable us to further smooth and improve existing bilateral relations and defense cooperation.

*** Legal Aid NGO Not Permitted To Visit Xanana**

94SE0079A Jakarta KOMPAS in Indonesian 4 Feb 94
p 6

[Text] Minister of Justice Oetoyo Oesman, SH [Master of Laws], confirmed that the government has not issued a permit allowing the Indonesian Legal Aid Society (LBH) to visit the convict Jose Alexandre Xanana Gusmao. The government, in particular the Department of Justice, would like to know exactly why the LBH is interested in visiting the prisoner.

Minister of Justice Oetoyo Oesman made this statement in response to questions from the press in Sukabumi on Thursday (3 February). The press asked about the decision to postpone the visit to Xanana and about letters from the Indonesian Legal Aid Society requesting permission to see Xanana at the Cipinang Penitentiary.

As has been reported, the YLBHI [Indonesian Legal Aid Society] wrote Prof Dr Baharuddin Lopa, SH, Director

General of Prisons, two times asking for permission to meet with Xanana in Cipinang. Dr Adnan Buyung Nasution, SH, chairman of the YLBHI, sent the first letter several weeks ago, after first submitting a verbal request. Since there was no response to the verbal and written requests, Buyung then wrote to Director General Lopa again asking when his group could meet with Xanana Gusmao. The letter, written on YLBHI letterhead, was signed by Adnan Buyung Nasution, Chairman of YLBHI's Executive Board, and by Secretary Frans Hendra Winarta, SH. "But since we haven't gotten an answer we wrote him again," said Frans.

Minister of Justice Oetoyo said that it would be prudent to see these problems from the proper perspective considering the judicial regulations involved; the question is who is allowed to deal with or visit the inmate, for example, because that is a matter of judicial regulations. In general, only family members, close friends and attorneys handling the case are allowed to visit an inmate in the penitentiary.

It would also be a good thing to ask why the LBH is interested in visiting Xanana. Do they just want to see how Xanana is doing or do they have some direct interest in the case or not. "Meaning, it's OK for LBH to go see Xanana Gusmao, but what do they want to see?" he asked.

If, for example, Oetoyo continued, they want to ask whether Jose Xanana Gusmao's trial was valid or not, or if they want to ask whether there were any judicial errors made during his trial, clearly they will not be given permission. Because Xanana's trial is over, the results are in force; it has the permanent force of law and can no longer be questioned from a judicial point of view. Moreover, as we know, Xanana submitted a request for clemency (a request for forgiveness) to the president. The president accepted this request for clemency and he commuted Xanana Gusmao's original life sentence to twenty years in prison.

So, Oetoyo said, the Department of Justice will decide whether YLBHI's request falls into one of the categories just mentioned. If they just want to visit, that's OK, but what's their direct interest in the matter, Oetoyo asked.

The press asked why two special envoys from the UN Secretary General were allowed to visit Xanana Gusmao. When they made their visit on Monday, 24 January, the policy of postponing visits to Xanana was still in effect (up to 9 February - editor)—and yet now the LBH is not given permission. Oetoyo said the situations were different.

Oetoyo said that the visit made by the two special envoys from the UN Secretary General had been planned long ago and had been programmed far in advance. In addition, the two envoys, Francesc [as published] Vendrell and Tamrat Samuel, had not only visited Xanana Gusmao but had also looked at general conditions in the Cipinang Penitentiary and had visited other inmates.

* Computerization in Stock Market Reported

94SE0078A Jakarta TEMPO in Indonesian 12 Feb 94
p 92

[Excerpts] The Jakarta Stock Exchange is entering the modern era. Since the end of January, a big change has been attempted in the exchange's trading system. Indonesian Stock Clearing and Deposit Inc (KDEI) has been in official operation helping brokers to expedite day-to-day trading. The KDEI will handle all the details relating to the completion of transactions.

In that way, less of a burden will be placed on the brokers. All they have to do is trade; they no longer have to dun the buyer for payment. On the other hand, the buyer will not have to chase after the seller to transfer the stocks. KDEI will take care of all those matters. Four days after a transaction takes place, the selling broker can ask KDEI for payment, and all the buyer has to do is take possession of the stocks.

At first this so-called settlement process will only be applied to five stocks—Indah Kiat, Barito Pacific, Tjiwi Chemicals, Pan Brothers and Dharmala. These five stocks have dominated the market for the past three months. "They account for 30 percent of all transactions," said Cyril Nurhadi, managing director of KDEI. Next June KDEI hopes to handle all transactions on the Jakarta Stock Exchange.

KDEI will use computers to handle these settlements, which can be very complex. Computers will not only execute the settlements but will also handle the bidding process. [passage omitted]

As a pilot project, Hasan Zein Mahmud, managing director of the Jakarta Stock Exchange (BEJ), has been using a computer to implement the bidding on 72 stocks which are not traded very much and which are also known as "sleeping stocks". For this trial, BEJ employees wrote a simple program themselves," said Hasan. This is meant to be a way of getting ourselves used to the computer.

This simple program will be replaced by a sophisticated program which will merge the BEJ and KDEI computer networks. Everything, from the trade to the settlement, will be handled by electronic signals running through thousands of slender cables. The BEJ has appointed Berca Inc to computerize the system.

Berca Inc, which is owned by the businessman Murdaya Poo, submitted the winning low bid of \$3.45 million. "This is cheap because it includes all the computer hardware," Hasan explained. It is said that the next lowest bid was three times higher than Berca Inc's.

However, this doesn't mean that everything is perfect. As was mentioned above, the BEJ wants the computers to be in operation by June 1994. Transactions, now valued at more than 100 billion rupiahs per day, cannot only be done by hand.

Problems might arise because the BEJ will not be in its present building, located at the corner of Merdeka Selatan Street and where the computers have been installed, for much longer. It has been reported that the lease on the building will not be renewed and that the BEJ will have to move into a new building on Sudirman Street, Jakarta, which is now being readied for the future site of the exchange. Of course it is not very efficient to install the computers and all their cables and networks and then three months later to dismantle them because the BEJ has to move. It has been estimated that at least 200 million rupiahs will be wasted. [passage omitted]

Another problem is that the computers will be put through a three-month testing period in the old building. An expert in capital markets thinks that computers must be tested for at least one year while transactions are being executed.

"This is necessary in order to test the various scenarios which might arise on the market. Otherwise, if the system goes down and the market comes to a halt, the reputation of the Jakarta Stock Exchange can suffer," he said. Besides that, "Stock transactions on the primary market must be part of the computer's agenda," said J. A. Sereh, a broker who used to be the managing director of Danareksa Inc. [passage omitted]

Laos

DPRK Party Delegation Ends Visit, Departs

BK1503035494 Vientiane Vitthayou Hengsat Radio
Network in Lao 1200 GMT 14 Mar 94

[Text] Hwang Chang-yop, Secretariat member of the Workers Party of Korea [WPK], and his delegation left Vientiane for home at noon on 13 March after ending a four-day visit to Laos. Hwang Chang-yop and the delegation were seen off at Wattai Airport by Thongsing Thammavong, Political Bureau member and head of the Organizing Committee of the Lao People's Revolutionary Party [LPRP] Central Committee. Also on hand to see the delegation off at the airport was Chang Yong-chun, ambassador extraordinary and plenipotentiary of the DPRK to Laos, along with many high-ranking cadres.

During the visit to Laos, the WPK delegation led by Hwang Chang-yop, Secretariat member of the WPK Central Committee, paid a courtesy call on Khamtai Siphandon, chairman of the LPRP Central Committee and prime minister, and met with Thongsing Thammavong, Political Bureau member and head of the Organizing Committee of the party Central Committee. It also visited the high-level party and state political training school, the construction site of the Lao-Thai friendship bridge, and the party unit of the Nam Ngeum hydroelectric dam.

Cuban Foreign Minister Arrives for Visit

*BK1203140294 Vientiane KPL in English 0904 GMT
12 Mar 94*

[Text] Vientiane, March 12 (KPL)—Cuban Foreign Minister Roberto Robaina Gonzalez, who is also Politburo member of the Communist Party of Cuba Central Committee, yesterday evening arrived here on a two-day official visit to Lao PDR [People's Democratic Republic] at the invitation of his Lao counterpart, Somsavat Lengsavat. The Cuban foreign minister with his delegation was warmly greeted at the Wattai airport by Lao Foreign Minister Somsavat Lengsavat and senior officials of the Foreign Ministry. Cuban Ambassador to Laos Ricardo Danza Sigas was also present at the welcoming ceremony.

The two foreign ministers together with their delegations held talks at the Lan Xang hotel on the same evening. At the talks, the sides informed each other of the developments in their respective countries and the further strengthening of their bilateral relations and cooperation. They also agreed to renew their cooperation on a mutual benefit basis. The Cuban side showed interest in small hydro-power generation, large scale cattle breeding for export, cooperation in public health, sugar cane plantation and sugar production in Laos in the future.

Meets Leaders, Departs 12 Mar

*BK1203063294 Vientiane Vitthayou Hengsat Radio
Network in Lao 1200 GMT 12 Mar 94*

[Text] At 0830 GMT today, Roberto Robaina Gonzalez, Politburo member of the Communist Party of Cuba [CPC] Central Committee and foreign relations minister of the Republic of Cuba, and his delegation paid a courtesy call on Nouhak Phoumsavan, Political Bureau member of the Lao People's Revolutionary Party [LPRP] Central Committee and president of the Lao People's Democratic Republic [LPDR], at the Hokham Presidential Palace. President Nouhak Phoumsavan hailed and warmly welcomed the delegation at the reception held in an atmosphere of warm friendship and goodwill. He noted that the visit to Laos by the Cuban Foreign Relations Ministry delegation would further strengthen the existing bilateral relations of friendship and cooperation. At the same time, the Cuban foreign relations minister also handed our president a message from Fidel Castro, general secretary of the CPC Central Committee, and conveyed the greetings of Cuban leaders to Lao leaders and people. Roberto Robaina Gonzalez expressed thanks to the Lao leadership for according him and his delegation a warm welcome, saying that even though their visit was short, it served to effectively increase and strengthen the Lao-Cuban relations of friendship and cooperation. The meeting between the host and guest proceeded in a warm and intimate atmosphere.

At 0900 on the same day, the Cuban foreign relations minister and party also paid separate courtesy calls on

Khamtai Siphandon, chairman of the LPRP Central Committee and LPDR prime minister, at the Prime Minister's Office; Saman Vi-gnaket, Political Bureau member of the LPRP Central Committee and chairman of the National Assembly at the National Assembly Hall; and many other important figures of Laos.

At noon today, Roberto Robaina Gonzalez and delegation left for home after successfully concluding the friendship visit made at the invitation of the LPDR foreign affairs minister. Seeing the delegation off at Wattai airport were Foreign Affairs Minister Somsavat Lengsavat and many high-ranking officials of the Foreign Affairs Ministry.

Foreign Minister Returns From European Tour

*BK1303093594 Vientiane Vitthayou Hengsat Radio
Network in Lao 0000 GMT 13 Mar 94*

[Excerpt] On the evening of 11 March, Somsavat Lengsavat, foreign affairs minister of the Lao People's Democratic Republic, and his delegation returned to the capital Vientiane after concluding a 14-day visit to some European countries. [passage omitted]

Japanese-Financed Project Handed Over

*BK1203130494 Vientiane KPL in English 0908 GMT
12 Mar 94*

[Text] Vientiane, March 12 (KPL)—A ceremony of handing over of the Japanese assisted agricultural and rural development project at KM-6/Tha Ngon, an outskirts of Vientiane city was held yesterday. Taking part in the ceremony were Mr. Phimpha Thepkhamheuang, deputy minister of agriculture and forestry, Mr. Masao Wada, ambassador of Japan to Laos, Mr. Boun-guang Volachit, mayor of Vientiane and other high ranking officials.

The project received a grant aid of 2,212 million yens from the Japanese government and an input of 128 million kip from the Lao government. The construction of this integrated rural development project, one of the main national scale development projects in the country, started in 1991. By the beginning of this year, it is basically finished.

The main pumping station houses five pumps so far four have been installed. The facility has a 95,600-metre principal canal network. Of this 9,415 m is made of concrete. The secondary canals are over 71,000-m long. There are 915 sluices. Roads along the canal network are 108,600-m long. In addition, water reservoirs and drinking water system have been established in Ban Sai, Ban Na Ke, and Don Noun. A three kilometre inter-village dirt road and a water control reservoir system have been built. The latter covers an area of almost six hectares.

The facilities can irrigate 1,000 ha of arable land in Saithani District and 200-700 ha in Saisettha District, in all 1,700 ha. For this current dry season, 112 ha can be

planted with second rice crops, in addition to six hectares of land for vegetable gardening.

The purpose of the establishment of this integrated rural development project is to provide farmers facilities to plant two rice crops per year. Along with this, they can engage in agriculture and livestock activities all year round. It is hoped that the project can provide food stuff to Vientiane Prefecture market and step by step the project's products may be exported. The facilities should allow farmers in the project area to generate more income, thus their living condition can be improved. The project also provides water for drinking and makes rural communities more accessible.

Press Release Issued on Chea Sim Visit

BK1503100994 Vientiane PASASON in Lao 8 Mar 94 pp 1, 3

["Press Release" on the 5 to 7 March visit to the Lao People's Democratic Republic by a high-level delegation of the National Assembly of the Kingdom of Cambodia headed by Chairman Samdech Chea Sim—dated 7 March]

[Text] At the invitation of His Excellency [H.E.] Saman Vi-gnaket, chairman of the Lao People's Democratic Republic [LPDR] National Assembly, H.E. Chea Sim, chairman of the Kingdom of Cambodia [KC] National Assembly, led a high-level KC National Assembly delegation on an official friendship visit to the LPDR from 5 to 7 March 1994.

During their visit, Samdech Chea Sim and delegation paid separate courtesy calls on H.E. Nouhak Phoumsavan and H.E. Khamtai Siphandon, respectively president and prime minister of the LPDR.

During the courtesy calls, H.E. Nouhak Phoumsavan stressed that Lao-Cambodian ties consist of fine relations of friendship, fraternal solidarity, neighborliness, and comradeship. The traditional fine relations and cooperation between the two countries have existed since ancient times. The peoples of the two countries have practiced similar customs and traditions, ardently given support and assistance to each other, and shared weal and woe both during the periods of struggle against colonialism and neocolonialism and of national defense and national construction in each country. H.E. Khamtai Siphandon regarded that in the new period, there is a need to further strengthen the long-standing traditional relations of friendship, solidarity, and multifaceted cooperation between the LPDR and the KC in coordinating with each other to improve and readjust the forms and methods of cooperation for better harmony and higher efficiency for the immediate and long-term common and individual interests. This will ardently conform to the ever-increasing strong aspirations of the peoples of Laos and Cambodia in building their respective countries with peace, national independence, and prosperity.

The receptions and conversations between the hosts and guests were permeated with an atmosphere of profound friendship from beginning to end.

Samdech Chea Sim and delegation laid a wreath at the Monument of Unknown Combatants and visited many places of economic and cultural significance in Vientiane capital and Vientiane Province. Wherever Samdech Chea Sim and delegation visited, they were given a warm and intimate welcome by the local administrations, authorities, and Lao residents.

A meeting between the KC National Assembly delegation headed by Samdech Chea Sim and the LPDR National Assembly delegation headed by H.E. Saman Vi-gnaket to exchange views on the situation took place at the Lao National Assembly in Vientiane capital in an atmosphere of friendship, sincerity, and mutual understanding. At the meeting, the two sides informed each other of outstanding situations in their respective countries and exchanged views on the strengthening of relations and cooperation between the two countries and between the two legislative organizations. They exchanged views on regional and international issues of mutual interest. The Lao side regarded that the official friendship visit by Samdech Chea Sim and delegation constituted a gesture of historic significance, contributing to strengthening and multiplying the intimate, normal relations which have existed since ancient times between Laos and Cambodia. At the same time, it also wholeheartedly hailed the increasing achievements of the implementation of the Paris agreement, which is the process of achieving peace and national reconciliation in Cambodia; as well as the successful National Assembly elections; the endorsement and promulgation of the new Constitution; the revival of the constitutional monarchy; the return to the throne of the Kingdom of Cambodia by Samdech Norodom Sihanouk who has played the supreme, historical role in realizing the unification, peace, political stability, national reconciliation, rehabilitation, and reconstruction; and the establishment of the Government of the KC.

The Lao side highly assessed the role of the KC National Assembly in the process of national reconciliation and in developing and building the KC into an independent, peaceful, neutral, nonaligned, and prosperous country.

Samdech Chea Sim and delegation hailed the great achievements in various fields made by the Lao Government and people, noting that such successes have been scored thanks to the policy of principled and all-around restructuring under the clear- and far-sighted leadership of the Lao People's Revolutionary Party. He also hailed the role of the LPDR NA in building and broadening the popular democratic regime, carrying out socioeconomic development, and pursuing the broad foreign policy of peace, independence, friendship, and cooperation, thereby ardently contributing to turning Laos into a country of peace, independence, democracy, unification, and prosperity.

The two sides expressed satisfaction with the traditional fine relations of friendship which have continued for centuries and have thus been worthy of being good-neighborly countries which have practiced cooperation in many fields. They see a need to incessantly multiply and increase such relations and cooperation on the basis of the principles of respect for each other's independence, sovereignty, and territorial integrity; noninterference in each other's internal affairs; refraining from the use of force and coercion; resolving all problems between the two countries peacefully; cooperation; equality; and mutual benefits. They regarded the exchange of visits of the high-level delegations headed by the prime ministers of the two countries; the Laos-Cambodia joint statement issued in July 1993; and the Laos-Cambodia joint declaration and the agreement on economic, scientific, technical, and cultural cooperation between the two countries signed by the two governments in Phnom Penh in November 1993 as very significant to the relations and cooperation between Laos and Cambodia in the new period.

The two sides were unanimous in planning to set up a friendship association between the LPDR National Assembly and the KC National Assembly to exchange delegations at various levels, and to assist each other in the sphere of legislative work on a regular basis.

The two sides share a common aim of establishing close relations and cooperation with the legislative institutions of other countries in the region and the Interparliamentary Union to contribute to turning Southeast Asia into a region of peace, friendship, and cooperation.

The Lao side expressed extreme appreciation with the success of the visit to the LPDR this time by Samdech Chea Sim and delegation, terming it a new glorious milestone in the history of relations between the two legislative institutions as well as the two countries.

Samdech Chea Sim and delegation highly valued the success of the visit and expressed profound thanks to the Lao National Assembly and people for having accorded an intimate welcome filled with a spirit of fraternal warmth and good neighborliness to the KC National Assembly delegation during its official friendship visit to the LPDR. On behalf of the KC National Assembly, Chairman Samdech Chea Sim extended an invitation to H.E. Saman Vi-gnaket, chairman of the LPDR National Assembly, and delegation to pay an official friendship visit to the KC. The chairman expressed his thanks to Samdech Chea Sim and accepted the invitation with pleasure. The time and date of the visit will be notified to the Cambodian side through diplomatic channels.

[Dated] Vientiane, 7 March 1994

National Assembly's Third Session Closes

BK1503074994 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Mar 94

[Text] The third ordinary session of the Third National Assembly was closed with glorious success on the afternoon of 14 March after six days of energetic work. A closing ceremony was held at the National Assembly Hall in Vientiane under the chairmanship of National Assembly Chairman Saman Vi-gnaket. Attending the closing ceremony were Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and prime minister; Oudom Khatthi-gna, Political Bureau member of the LPRP Central Committee and personnel in charge of guiding mass organizations; Khambou Sounisai, member of the party Central Committee and vice chairman of the National Assembly; Vongphet Saikou-yachongtouna, member of the party Central Committee and vice chairman of the National Assembly; and Souphanouvong, adviser to the party Central Committee; along with ministers, deputy ministers, chairmen of mass organizations at the central level, and representatives of businessmen in Vientiane municipality.

Members of the National Assembly endorsed a resolution of the third session of the Third National Assembly. After thoroughly and scrupulously studying various issues, they unanimously agreed to the following:

1. Endorsed the amendment of the Labor Law and the Law on the Promotion and Management of Foreign Investments in the Lao People's Democratic Republic [LPDR].
2. Endorsed the result of the votes to elect Ounneua Phimmason as new general public prosecutor and Ket Kiattisak as new chairman of the Supreme People's Court.
3. Discussed and contributed views to all seven copies of draft internal regulations of the National Assembly.
4. Discussed and contributed views to the overall review report on activities and achievements of the National Assembly in performing duties since the second ordinary session and the action program to be fulfilled in the immediate future.
5. The session agreed that it is necessary to convene an extraordinary session of the National Assembly to discuss and endorse amendments of a number of certain laws considered imperative and significant, such as the Law on the Formation of Government, the Law on Taxation System, the Law on National Defense Obligations, the Law on State Budget, and the Law on People's Courts and Public Prosecution Organizations. Regarding the duration of the extraordinary session, the session agreed to assign the National Assembly Standing Committee to study and decide on the convening of the session at an appropriate time.
6. The session praised and hailed cadres, state employees, combatants, and fraternal people of all strata and tribes, businessmen of both state and private sectors, foreigners having resided and earned their living in the

LPDR, who have always respected the laws and maintained the spirit of being owners of the country, the patriotic spirit, and the spirit of cherishing the popular democratic system, and always fulfilled their rights and obligations in accordance with the laws and regulations of the LPDR.

The session expressed gratitude to various friendly countries, near and far, as well as various international organizations, for their precious support and assistance given to our people in carrying out the national construction and development cause. The session expressed the hope that the various friendly countries and international organizations will continue to sympathetically render more support, assistance, and cooperation to the LPDR. The session called on cadres, state employees, combatants, and compatriots of all strata and tribes, including overseas Lao residents, and all businessmen in economic sectors, both state and private sectors, as well as foreigners who have resided and earned their living in the LPDR, to strengthen the solidarity and unite as one, enhance the sense of respecting the constitution and laws, and together defend and build the country.

The session expressed the determination to continue to do everything possible to fulfill all duties and responsibilities of the National Assembly as stipulated in the Constitution and the Law on the National Assembly to be worthy of being the organization which represents and works in the interest of the rights to mastery of the people of all strata and all tribes and to be worthy of being the state organization which genuinely comes from the people, is elected by the people, and works for the benefit of the people. The session also expressed the determination to positively make worthy contributions to international activities for the cause of peace, national independence, democracy, friendship, and cooperation in the region and the world.

Philippines

Amnesty May Include U.S. Colonel's Killers

*BK1503024794 Quezon City MALAYA in English
11 Mar 94 pp 1, 3*

[By Chit Estrella]

[Excerpt] Speaker Jose de Venecia Jr. said yesterday the House of Representatives is prepared to support an amnesty program that will cover all political offenders, including the convicted killers of U.S. Col. James Rowe. But, he said, beneficiaries of such a proclamation should first apply for this.

De Venecia, who was given by Malacanang a draft copy of the two proclamation orders that would cover insurgents on one hand and government forces who committed crimes in the course of the counter-insurgency campaign on the other, said: "It (the application) is not a condition but a procedure that is but logical and reasonable. We cannot just go to the top of Mount

Olympus and announce that we hereby declare an amnesty. My God, who are these people?" he said.

De Venecia said amnesty that is granted even without being asked for would make the program vulnerable to abuse. He said he would favor the inclusion of Juanito Itaas and Donato Continente, convicted killers of Rowe, in the program. Both have appealed their cases before the court. "I have not studied their cases but in principle, amnesties should be wide-ranging and general application," he said.

When asked how an application for amnesty would affect the contention of Itaas and Continente that they are innocent of the murder charge, De Venecia said seeking inclusion in the program would not necessarily be an admission of guilt. "You're just applying for amnesty," he said.

De Venecia expressed confidence that the second amnesty program will result in the faster resolution of armed conflicts with rebel groups whose number has been estimated at 25,000. The first was declared by former President Aquino. The amnesty proclamation needs the concurrence of Congress. [passage omitted]

Police Create Drug Enforcement Task Force

*BK1403155094 Manila MANILA BULLETIN in
English 9 Mar 94 p B-21*

[By El U. Macaspac]

[Text] The Central Police District Command (CPDC) has created a drug enforcement team which will conduct police operations in a national level. CPDC Director Chief Superintendent Diony Alvaro Ventura bared this during their weekly command conference wherein he directed his 11 station commanders to turn over all cases involving illegal drugs to newly-activated Drug Enforcement Task Force (DETF).

According to Ventura, the DETF will be the sole authority in the command level to conduct intelligence and investigation on suspected drug traffickers not only in Quezon City but also nationwide. "Not only that, but DETF will also be responsible in filing drug cases which was the normal practice in CPDC before. DETF was borne by a unified effort not only to sting the street but the national level as well," Ventura explained.

He said, only two commands—the CPDC and the Western Police District Command (WPDC)—under Senior Supt. Hermogenes Ebdane were tasked by Chief Superintendent Recaredo Sarmiento III, National Capital Region Command (NCRC) director, to create their own "centralized" drug enforcement office.

He said the two commands' task forces will be headed by Supt. Dominador Resos.

The PNP-Narcom [Philippine National Police-Narcotics Command] has provided the personnel, the PNP General Headquarters will render legal assistance, and the PNP Crime Laboratory will conduct lab testing on seized illegal drugs.

MNLF Training Recruits; Cease-Fire Violated

BK1403104994 Manila MANILA BULLETIN in English 9 Mar 94 p SB-7

[By Bong Reblando]

[Text] General Santos City—Moro National Liberation Front (MNLF) rebels have been training new recruits in Sultan Kudarat in violation of the cease-fire agreement, a top provincial official said. "It is a clear violation of the truce," said Gov. Nestor Gumana of Sultan Kudarat who disclosed that 826 new cadres of the MNLF finished their guerrilla training at the foothills of the Daguma Range last 10 January.

Moro rebels led by Kamsa Itom, alias "Commander Ronnie," were planning to hold this month another training for rebel recruits in the mountain sitio [district of a village] of Baton, barangay [village] Lagandang, Isulan, a Muslim-dominated village, Gumana said.

The apparent infraction of the peace record, Gumana also said, prompted the Peace and Order Council of Sultan Kudarat to file a protest with government panel chief negotiator Manuel Yan. "It's up to General Yan to act on our protest but certainly we believed that ongoing training and recruitment indicated bad faith," he added. "This could heighten tension as it is sending the wrong signal to Christian constituents."

Gumana's report came in the wake of information that some Christian groups believed connected with the Ilaga, an underground movement opposed to Muslim domination, have been courting police authorities at the PNP Recom [Philippine National Police Regional Command] 12 headquarters to allow them to conduct raids on known rebel lairs in the province.

"I told them to hold their line since the police and the military can contain lawlessness," Sr. Supt. [Senior Superintendent] Jovencio Sales, PNP Recom 12 chief, said, adding that several Christian leaders have signified their willingness to fight the rebels in retaliation of the recent ambush-slaying of a busload of passengers in Tulunan, Maguindanao and the bombing of the Catholic cathedral in Davao City. Police sources said that Christians in Central Mindanao, fearing that the collapse of the peace talks between the government and the MNLF could spark hostilities, have been rearming themselves discreetly.

Group Warns of More Abductions

BK1503064094 Quezon City Radio Filipinas in English 0230 GMT 15 Mar 94

[Text] A breakaway group of the MNLF [Moro National Liberation Front] operating in Basilan province in southern Philippines has warned that more wealthy businessmen and school teachers will be abducted by the group. Sulaiman Ali, leader of one of the lost commands said the new wave of kidnapping will start at the close of the Muslim holy month of Ramadan. The month-long fasting of Muslims ended on Sunday.

Ali, however, denied responsibility in the kidnapping of five school teachers in Tuburan, Basilan last 7 March. He demanded a pull out of the marines from Tuburan, saying that more people will be abducted by his group starting this month if the marine troops will not be pulled out.

Further MNLF Talks Set

BK1503063894 Quezon City Radio Filipinas in English 0230 GMT 14 Mar 94

[Text] The second round of formal peace talks between the government and the Moro National Liberation Front [MNLF] will be held in Jakarta, Indonesia. The talks beginning 13 to 22 April this year will focus on the substantive portions of the Tripoli Agreement of 1976. They will also take up the reports by the joint working groups, joint cease-fire committee, and the mixed committee set up during the first formal talks last November, also in Indonesia.

MNLF Chairman Nur Misuari said he remains optimistic about the outcome of the peace talks. Misuari was interviewed by reporters in Sulu, where he delivered a message of peace at a mosque in Jolo.

Roundup of Rebel Activities for 5-11 Mar

BK1503075894

[Editorial Report] The following is a roundup of reports of Philippine rebel activities from Philippine media monitored by Bangkok Bureau between 5-11 March. Source information is given in parentheses at the end of each item.

5-7 March

No fileworthy items monitored.

8 March

Thirty-nine firearms believed to have been left behind by former New People's Army [NPA] rebels, who had surrendered to the government, were recovered by military and police operatives from a thickly forested area in Santa Lucia, Ilocos Sur. Recovered were 34 Garand rifles, three M16 Armalite rifles, two M14 rifles, and 60 short magazines for M16 rifles. (Manila PHILIPPINE DAILY INQUIRER p 8)

Intelligence operatives of the Armed Forces of the Philippines arrested over the weekend Juanito Duhaylungsod in Manila while undergoing medical treatment at a hospital. Duhaylungsod is allegedly the deputy secretary of the Western Mindanao Regional Party. (Quezon City MALAYA p 2)

9 March

Romeo Lobinggo, an NPA squad commander of the sub-regional guerrilla unit Garuda Force of Agusan del Sur, killed his comrade before escaping their camp to surrender to the Army. He took with him three M16 Armalite rifles, one M14 rifle, live ammunitions, medicine, communist documents, and anti-government materials. Serious logistical and financial problems of Lobinggo's team prompted his surrender. (Manila MANILA BULLETIN p B-10)

Felix Lusabia y Nunez, commander of the NPA's mobile regional guerrilla unit (MRGU) operating in Bicol and Quezon Province, surrendered to military authorities. Nunez is responsible for the rebel raids in Pio Duran, Albay and Magallanes, Sorsogon where three policemen were killed, two others wounded, and several government buildings were burned. (Manila MANILA BULLETIN p SB-7)

10 March

The military reported the killing of four NPA rebels and the wounding of five others in recent separate clashes in Kalinga-Apayao and Mt. Province. A member of the Citizen's Armed Forces Geographical Unit was killed in the Apayao clash. The soldiers seized two NPA rebel camps in a village in Isabela. Meanwhile, an active member of the NPA Central East District Propaganda Unit surrendered to military officers of the 65th Infantry Battalion in Cagayan Valley. (Manila MANILA BULLETIN p 12)

11 March

Octavio Anquilo, a former member of the executive committee of the NPA Eastern Visayas Regional Party Committee (EVRPC), and his wife, Rosario Afable, former secretary of the EVRPC Central Front Committee, fled from Samar to Manila to escape trial and possible execution by their comrades after amassing the communist movement's funds worth thousands of pesos. (Manila MANILA BULLETIN p 12)

Thailand

Security Increased at Interior Ministry

BK1403034894 Bangkok BANGKOK POST in English
14 Mar 94 p 1

[Excerpt] Security at the Interior Ministry will be stepped up from today, with the offices of Interior Minister Chawalit Yongchaiyut being declared a "restricted zone". The offices of the five deputy interior

ministers, the permanent secretary and deputy permanent secretaries have also been declared "restricted zones", where unauthorised entry is prohibited.

A source said yesterday the tightening of security at the ministry was agreed on at a meeting on Friday in the aftermath of bomb attacks on the homes of Social Action Party [SAP] leader Montri Phongpanit, SAP MP Bunphan Khaewatthana, Permanent Labour Secretary Sawai Phrammani in Nakhon Pathasima and on a locomotive in Songkhla.

As part of the new measures, the source said, the offices in the Interior Ministry of the Local Administration Department, the Secretariat, the Permanent Secretary, the Welfare and Labour Protection Department and the Institute of Prince Damrong Rachanuphap are now regarded as restricted zones. Earlier, Permanent Interior Secretary Aree Wong-araya had declared his office and the area in front of it off-limits to reporters. [passage omitted]

Churin on Regional Intellectual Property Center

BK1503030494 Bangkok BANGKOK POST in English
15 Mar 94 p 19

[Text] Thailand is seeking to become a coordination centre for intellectual property protection in the region, Deputy Commerce Minister Churin Laksanawisit said yesterday. Mr Churin said he will discuss the issue with the Vietnamese Government during his short visit to Vietnam early next month. He said he has asked the Intellectual Property Department to draw up a structure of operations for Thailand, Vietnam, China, Laos, Cambodia and Burma.

Cooperation between countries of the region is needed because trade between them will expand, and the problems of violation of patents, copyrights and trademarks need to be tackled.

As a first step, Thailand is expected to cooperate with each country bilaterally before expanding operations across the region. Thailand can help Vietnam in patent registration procedures, in which the Thai side is more experienced. The other countries will have the same or different cooperation agreements depending on their respective economies.

Concerning local protection of copyright works, Mr Churin said the Government may apply the Price Fixing and Anti-Monopoly Act of 1979, which requests that tapes, compact discs and videotape producers submit costs of production to the Internal Trade Department for use as a basis for considering whether producers have taken advantage of consumers.

Mr Churin said the Economic Crime Investigation Division has reported that the crackdown on infringement of copyright works in February increased 27 percent from January, and 21,043 pieces of illegal copyright works were seized.

The Singapore-based representative of the Motion Picture Exports Association of America, who recently visited Thailand, reported that violations of copyright laws were fewer in the first two months of the year.

Shops Not Cooperating on IPR

BK1503050294 Bangkok THAILAND TIMES in English 15 Mar 94 p A1

[Text] Bangkok—The Commerce Ministry has reported it has not received cooperation on the intellectual property rights [IPR] investigation process from shop owners of pirated video, tapes and compact disks. Deputy Commerce Minister Churin Lasanawisit, who is also the chairman of the committee in charge of a crackdown on violators of intellectual property rights, said the shop owners have failed to cooperate with the Department of Internal Trade and Department of Commercial Registration, thereby hindering the investigation.

The two departments under the Ministry suffered due to this lack of cooperation since they were unable to get exact information related to IP [intellectual property] rights violation. As a result, the entire investigation process turned into a fiasco. Churin said his committee has ordered the two Departments to begin investigations once again, adding "If this time they hesitate to cooperate, the Commerce Ministry will have to take legal action against them."

The police crackdown last month resulted in the arrest of 130 people. That is a 27 pct [percent] drop from the number of similar arrests in January. The Department of Commercial Registration investigated 68 violators of which five faced legal action, and seven were subjected to a 10,000-baht-fine. Similarly, the Revenue Department is currently running tax-related investigations on more than 30 people.

IPR Enforcement Committee Set Up

BK1503124394 Bangkok Radio Thailand Network in Thai 0530 GMT 15 Mar 94

[Text] The Police Department is cooperating with the Commerce Ministry in suppressing intellectual property rights [IPR] violations by setting up a working committee with authority to arrest any offenders.

Deputy Commerce Minister Churin Laksanawisit says that the Police Department director general has set up a committee comprising 37 police officers nationwide to suppress intellectual property rights violations. The committee is chaired by Police General Winit Charoen-siri, deputy police director general for suppression. The cooperation shows the Thai Government's sincerity in suppressing intellectual property violations.

Minister Previews Burma Visit, Gas Deal

BK1503024494 Bangkok BANGKOK POST in English 15 Mar 94 p 6

[Text] Industry Minister Sanan Khachonprasat will visit Rangoon next month to witness the signing of a Memorandum of Understanding [MoU] if a deal to purchase gas from Burma is completed. Negotiations between the Petroleum Authority of Thailand and Burmese government to buy natural gas from the Martabang site are expected to be settled this month, said Maj-Gen Sanan yesterday. The gas project covers two exploratory plots, M5 and M6, over an area of 26,140 square metres.

France's Total Co Ltd has been developing the site since 1992 with Unocal Myanmar Co holding shares in the company.

"The Burmese side would like to have the minister witness the MoU signing after the deal is settled, as far as I know," said Thai Ambassador to Rangoon Wirasak Futrakun by telephone.

Maj-Gen Sanan said he would also meet privately with Burmese Forestry Minister Lt-Gen Chit Swe to discuss an extension to the timeframe during which Thai companies can remove felled logs still in Burmese territory.

Cambodian 'Bandits' Abduct, Release Officials

Four Abducted 13 Mar

BK1403035494 Bangkok BANGKOK POST in English 14 Mar 94 p 8

[Text] Four officials working for a Royally-sponsored project in Ta Phraya District were abducted by Cambodian bandits yesterday. The 13 bandits, armed with rocket-propelled grenade launchers and assault rifles, slipped across the Thai-Cambodian border into Site Two. The former camp in Ban Thap Thai, Tambon Thap Sadet has been transformed into a land development project for border inhabitants under the Thapthim Siam 03 project sponsored by HRH [Her Royal Highness] Princess Chulaphon.

The bandits forced Mr Cha-on Thongtonhak and Mr Phadung Wongsapan, two officials of the land development unit of the Land Department, and two temporary employees, Mr Charat Phutson and Mr Nak Khathong, into Cambodia's Ampil village, in Banteay Meanchey Province. About two hours after the abduction, the bandits freed Mr Nak and told him to fetch 120,000 baht ransom in exchange for the release of his three colleagues today at 3 p.m. at a rendezvous point to be determined later. The bandits would notify him later about the location for the rendezvous, Nak told police.

Minister Views 'Strong Measures'

BK1503092394 Bangkok Radio Thailand Network in Thai 0530 GMT 15 Mar 94

[Excerpt] Defense Minister General Wichit Sukmak talked to reporters this morning at Government House about the problem of robberies by Cambodian soldiers.

He said that he agrees with the Army commander about implementing strong measures against the Cambodian robbers. Regarding preventive measures, all sides must coordinate with each other to make them work. These include those in the government administrative circle—the Interior Ministry and the unit in charge of national security; and the military with the major tasks of preventing violations of sovereignty—the Royal Thai Army and the Royal Thai Navy. In the case of serious incidents, the Royal Thai Air Force should also lend a hand.

In any case, the defense minister agrees with the idea of implementing extremely decisive actions against the bandits in the future. The reason is that many Thais have been killed and wounded. At the same time coordination has begun with the National Defense Ministry of Cambodia and the Cambodian side pledged to try to prevent such incidents from occurring.

Meanwhile, a group of armed Cambodian bandits held three Thai officials of the Thapthim Sayam project and demanded ransom. Following coordination between Thai authorities and Cambodian representatives, the Thai side agreed to pay 120,000 baht in exchange for the release of the hostages. [passage omitted]

'Bandits' Free Officials

BK1503052494 Bangkok BANGKOK POST in English 15 Mar 94 p 2

[Excerpts] Two Land Department officials and one employee held hostage for a ransom of 120,000 baht by a group of Khmer bandits were freed yesterday following coordinated pressure from both the Thai and Cambodian authorities. No ransom was paid for their release. [passage omitted]

A meeting was held in Sakaeo Province yesterday morning to discuss ways of rescuing the three and suppressing the bandits. The meeting was attended by governor Kasem Chaisit, Burapha Force commander Maj-Gen [Major-General] Nippon Pharannit, provincial police deputy chief Col Somrit Yangprida and representatives of the Land Department, Thai-Cambodian Coordination Office and Foreign Ministry.

Governor Chaisit revealed that the Thai side would be happy to pay the ransom to secure the release of three of its citizens. After that the Thai authorities contacted Maj-Gen Ko Choun, deputy commander of the 7th Division, which is responsible for this part of Cambodia to seek cooperation in getting the Thais released. The

three Thais, however, were freed and returned to the Thai side of the border yesterday afternoon without any money changing hands.

Prasong: Case Not To Affect Ties

BK1503152994 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 15 Mar 94

[Text] Speaking about the Cambodian bandits abducting Thai nationals in Sa Keo Province for ransom, Foreign Minister Prasong Sunsiri said he has learned that the hostages have been freed. He believes the military and civilian authorities were able to take the situation under control. He said that the frequent incidents took place in remote areas where it is difficult for authorities of both the Thai and Cambodian Governments to control. However, the foreign minister is confident that the banditry is not supported by the central government in Cambodia.

[Begin Prasong recording] I do not think they were supported by the Cambodian Government. No, it's natural that there are bandits in Cambodia; the same as in our own country. Here we also have a lot of criminals and they are not supported by the government. It is the same. This has nothing to do with relations between the Thai and Cambodian Governments. Relations will remain the same or even be strengthened. When we can discuss with each other, it is easy to solve problems. There is no reason to allow the acts of Cambodian bandits to sour our relations. [end recording]

The foreign minister welcomed the news that Thai nationals have started moving out of Pailin which is controlled by the Khmer Rouge. He said the people who move out will be safe from the assault on Pailin planned by the Cambodian Government.

Commenting on the same issue, Deputy Foreign Minister Surin Phitsuwan said he will leave for Cambodia on 23 March. He expects that he will be able to discuss with Cambodian leaders and find solutions to many troubles along the Thai-Cambodian border. He said the central government in Cambodia always cooperates with the Thai Government. He does not think that the present situation will necessitate closing any border passes.

Protest Voiced Against French Fish Ban

BK1203132094 Bangkok Voice of Free Asia in Thai 1030 GMT 12 Mar 94

[Text] On 9 March the French Government made two announcements imposing new conditions on the import of seafood and fish products from countries outside the European Union. The two announcements have hurt Thai fish products sent earlier to France and those that are to be exported there. The Association of Processed Food Producers estimated that the loss is valued at about 70.66 million baht or 17 million francs. The does not include losses by other associations such as the Associations of Frozen Food and Marine Animal Traders. Government agencies such as the Fishery Department, the Commerce Ministry, and the Foreign Ministry are

keeping close contacts with France's agriculture and fishery ministries to solve the problem. Since the new regulations have been imposed at the request of French fishermen dissatisfied with falling fish prices, French agencies are reluctant to allow Thailand and other countries to resume exporting fish products to their market. The European Union has also expressed disagreement with the action taken by France. The Thai private sector is disappointed with France's sudden imposition of restrictions and has proposed that the Thai Government resort to trade retaliation against it if negotiations to tackle this problem fail.

On 9 March, the Foreign Ministry summoned the French ambassador to hear to the Thai complaint and has asked France to allow Thai fish products to be sold in the French market as before. Phirat Itsarasena na Ayutthaya, deputy permanent secretary for foreign affairs, has been assigned to follow up. The French ambassador has promised to bring Thailand's request to French agencies for urgent consideration.

Minister Threatens Retaliation

BK1203132494 Bangkok NAEO NA in Thai 12 Mar 94 p 7

[Text] Commerce Minister Uthai Phimchaichon has told reporters that it is unfair for France to set up barriers against Thai fish products, noting that the Commerce Ministry has been trying to settle the matter through diplomatic channels and instructed the Thai commerce attache to closely monitor the situation.

Uthai said: "If France continues to use such unfair measures against us, we must plan to reciprocate as France exports mostly luxury goods to Thailand. If we do nothing, France will treat us like that again." The commerce minister disclosed that other countries suffering from the French action include Indonesia and the Philippines. France, by so doing, has claimed that these countries have no specific quality control agencies for their fish products. Meanwhile, the European Union has set the end of 1994 as the deadline for all its members including France to do away with such protectionist measures.

French Ban 'Can Be Resolved'

BK1303073094 Bangkok BANGKOK POST in English 12 Mar 94 p 2

[Text] French Ambassador to Thailand Jacques Rummelhardt yesterday expressed the hope that the difficulties caused by the French government decision of February 9 to ban imports of Thai fisheries products would soon be resolved. Mr Rummelhardt said after meeting Commerce Deputy Minister Chaivot Sasomsap his government's decision did not set any new conditions on seafood imports.

"The decision was based on the restrictions to which both seafood imports and exports are subject. We must first secure guarantees on these restrictions and the

condition to get a guarantee from Thailand must be observed," he said. Thai fishery imports to the French market were banned as of February 9 due to uncertainties over a competent inspection authority.

Mr Chaivot said the confusion resulted from the fact that Thailand has several agencies involved in the inspection process. He said the foremost inspection authority for Thailand was the Agriculture and Agricultural Cooperative Ministry's Fisheries Department.

The Deputy Minister expressed reservations concerning Paris's decision, citing the perception of a selective practice toward Thailand because Bangkok had submitted the required documents indicating the Fisheries Department was the foremost authority concerned with export inspection. It appears Thai exports have been singled out by French authorities, he said.

Foreign Trade Department Director General Oranut Osathanan said the French had allowed seven countries to import fishery products after the February 9 decision. They are the United States, Morocco, El Salvador, Brazil, Colombia, Senegal and the Ivory Coast. Ms Oranut said Thailand had submitted a memorandum similar to the Thai Foreign Affairs Ministry letter with trade information for the French ambassador on Wednesday for forwarding to his government informing them of the Thai position.

The French ambassador assured Mr Chaivot he would inform his government as soon as possible of the problems facing Thailand to salvage the relationship between the two countries. The Thai Government will await the decision of the French before taking any measures.

"Future action may take place in a very short period," said Mr Chaivot when asked for a deadline on future measures, declining to elaborate.

Mr Rummelhardt acknowledged that French fishermen and the fishing industry was experiencing economic hardship and had pressed the government for help, yet he denied the request was a factor in his government's decision to ban Thai imports.

Minister Meets EC Ambassador

BK1403150294 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 14 Mar 94

[Text] Commerce Minister Uthai Phimchaichon granted an interview to newsmen after he discussed with the EC ambassador the French ban on imports of Thai fisheries products. He said the ban was tantamount to trade protectionism and discrimination because Thailand abided by regulations concerning its exports. He said the EC ambassador expressed concern about what happened and asked Thailand not to lodge a complaint with GATT yet. The commerce minister also said he would raise the problem for discussion at tomorrow's cabinet session because the Thai private sector has already reported a loss of more than 100 million baht—and it could reach a billion baht.

[Begin Uthai recording] I will report the matter to the cabinet tomorrow; the private sector appealed for retaliation against France. But if we take action, it could lead to strained relations, and we do not want that. We might have to lodge a complaint with GATT if we do not get a good explanation or proper solution to the problem. Anyway, the EC ambassador told us not to take that step yet, but to let him do the work first. [end recording]

May Seek GATT Ruling

BK1503042694 Bangkok BANGKOK POST in English
15 Mar 94 p 26

[Text] Thailand may seek a formal ruling from the General Agreement on Tariffs and Trade council regarding the French Government's decision to ban Thai imports of fishery products, said Commerce Minister Uthai Phimchaichon. Mr Uthai said after meeting with the head of a delegation of the Commission of the European Union, J Gwyn Morgan—the second meeting of an EU representative with the Commerce Ministry—that he had expressed his government's dissatisfaction over the French ban. The import ban is based on confusion over Thailand's foremost, competent export inspection authority.

He indicated that if Thailand does not receive a timely and satisfactory response from the French Government, his agency may take the case to the GATT council to seek redress from the balance of a perceived selective practice against Thailand. Mr Morgan has urged the Thai Government to delay any decision to involve a GATT review and allow him his best effort to solve the current dispute.

Mr Uthai will inform the Cabinet today of the French authority's actions but declined to elaborate on what short-term measures, if any, the Thai Government should take against France.

The Thai Food Processors Association and the Thai Frozen Food Association has called for trade retaliation. "We hope the dispute will be resolved soon and will not jeopardise the existing relationship between our two countries," said Mr Uthai. Mr Morgan said yesterday: "On behalf of the European Union, we, in Brussels, will discuss with our French colleagues a remedy and resolution to this dispute as soon as possible". The French Government banned Thai fishery imports on February 9.

Editorial Seeks Greater Role for ASEAN Forum

BK1503051294 Bangkok THE NATION in English
15 Mar 94 p A6

[Text] The recently concluded Asean Senior Officials' Meeting (SOM) agreed in principle to enhance the regional body's role in security cooperation in Asia and the Pacific. The SOM was to lay the important groundwork for the Asean Foreign Ministers' Meeting and the Asean Regional Forum (ARF) in July with Thailand acting as host. While touching on potential regional flashpoints in the South China Sea, Korean peninsula,

Burma and Cambodia, discussion of details was avoided due to the perceived sensitivities of certain powers.

Now for the first time since the end of the Cold War, Asean countries are thinking of their security concerns as mature nations responsible for their own fate. However, the regional grouping still lacks a sense of greater vision with regard to security, and adheres to the notion that economic development is the panacea for all problems.

There is no doubt that economic growth makes certain kinds of conflict less likely. But it does not solve everything—for example the risk of an ethnic explosion for instance. Politics and economics have to be tied together in a security association and neither Asean nor the ARF offers this. The three major Asia-Pacific actors are very quiet now, but this may not last.

Japan has almost all the attributes of a superpower, and it has the ability to develop full capability, including nuclear weapons and missiles, within a short time.

China wants to be on good terms with the generally thriving Asean members to maintain stability and provide opportunities for its modernization drive. The country's outward-looking economy benefits enormously from regional trade and investment. At the same time, Beijing has territorial and security ambitions that it is tempted to pursue, even if they irritate or upset its regional partners. The most significant is its declaration of sovereignty over a large expanse of the South China Sea. Asean is aware that China used force to evict the Vietnamese from some of the Paracel and Spratly Islands in 1975 and 1988. These island archipelagos extend across important shipping lanes.

However, the regional grouping should also note that the Chinese didn't show the same kind of aggression in pursuing their claim to the Senkaku Islands, northeast of Taiwan, controlled by militarily superior Japan. In Burma, China has become one of the closest foreign allies of the thuggish State Law and Order Restoration Council, supplying the military junta with arms destined to be used against domestic opponents.

The United States, which previously had a high-profile military presence in Southeast Asia, is yet to decide on its role in the region.

The much asked question now is: How will Asean react when these three powers wake up and stretch?

Clearly, if Southeast Asia has not created a credible and cohesive multilateral security system by then, the smaller countries will be prey to traditional balance of power politics among the key actors. The ARF, proposed to be formed in July, runs the risk of just being an empty framework if fears of offending regional powers and partners inhibits discussion of internal problems.

It is completely baffling how security threats can be identified and diffused if they are not even discussed in detail. For a start, the Spratly Islands issue and other connected disputes in the South China Sea—from piracy

to poaching of fisheries resources—must be taken up by the ARF. Asean must send out a clear message that it does not condone what Beijing is doing in the South China Sea and China should make good its promise of joint development in the disputed territory to dispel Southeast Asian anxiety.

In Asean, collective security is still in its infancy. Arms control, confidence-building measures, satellite surveillance and the verification of chemical weapons possession have not even been thought of yet. What is needed first and foremost in the region is an overall political framework that is strong enough to contain disorder and survive changes in member countries. A security mechanism for quick and effective action will have to follow.

The ARF must prepare not for clashes two years from now, but for the politics of the 21st century.

Vietnam

Le Mai: No Foreign Military at Cam Ranh Bay

OW1403150694 Tokyo KYODO in English 1412 GMT
14 Mar 94

[By Tim Johnson]

[Text] Tokyo, March 14 KYODO—Vietnam views the Philippines' successful transformation of a former U.S. naval base at Subic Bay as a model for commercializing its own Russia-utilized naval facilities at Cam Ranh Bay, according to a senior Vietnamese Foreign Ministry official. Deputy Foreign Minister Le Mai, who left Tokyo for Hanoi on Monday [14 March], made the disclosure in an interview with KYODO NEWS SERVICE during a visit to participate in an international conference on Cambodian reconstruction, which ended Friday.

"The reality of Subic Bay—to turn a military base into a commercial base—is very interesting to us," Le Mai said. "I don't think that, in this post-Cold War era, military bases are as important as before." The Philippine Government transformed Subic Bay, 80 kilometers northwest of Manila, into a free port and industrial zone after U.S. forces left in November 1992, ending nearly a century of U.S. military presence in the country. Over 350 million dollars has reportedly been invested there so far by Filipino and foreign companies. Le Mai said Vietnamese officials have already visited Subic Bay on an inspection tour at the invitation of the Philippine Government.

Russia, which inherited use of Cam Ranh Bay from the former Soviet Union, has been scaling down its presence in recent years and the number of its visiting naval ships has dropped sharply. Compared with thousands before, only a few hundred Russian servicemen now reportedly remain at the base in central Vietnam, many of them manning a large signals-intelligence facility there. Moscow is said to desire continued access for refueling and provisioning of its naval ships.

"I think the best thing is not to have any foreign military forces using the facilities there," Le Mai said. "We want to have a peaceful environment. We rendered some facilities to the Soviet Union in the past and now Russia, but as you know Russia is too busy with her 'homework' and the role of military bases is going down, down in this new post-Cold War situation."

He added that Vietnam is keeping open all "long-term options" for use of the facilities.

Prior to its evacuation of its troops from South Vietnam during the Vietnam war, the United States invested some 250 million dollars to develop Cam Ranh as a commercial port, building deep-water harbor facilities later taken over for use by the Soviets.

Hanoi is said by some Vietnam-watchers to favor a limited Russian presence at Cam Ranh Bay to deter Chinese ambitions in the South China Sea. According to Le Mai, Vietnam is trying to solve "by peaceful negotiation" its territorial disputes with China and several other countries in the region centering on the Spratly Islands.

Do Muoi Receives Korean Businessmen 15 Mar

BK1503153594 Hanoi VNA in English 1431 GMT
15 Mar 94

[Text] Hanoi VNA March 15—Party General Secretary Do Muoi received here this afternoon Mr. Ku Pun-mu, vice president of Lucky Goldstar Group of South Korea, on the latter's current visit to Vietnam. Speaking to his guest, the Vietnamese party leader said that Vietnam wished to learn experiences, receive capital and advanced technology, and promote the multifaceted cooperation with other countries, thus strengthening the construction of a prosperous country, contributing to the cause of peace, cooperation and development in the region and all over the world. Also present at the reception were Director General of the General Department of Post and Telecommunications Dang Van Than, deputy head of the party External Relations Commission Nguyen Van Son.

Controls Over MOI Economic Work, Prison Labor

BK1503043094 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 15 Mar 94 p 3

[Text] Hanoi has issued new controls on economic activities of the powerful Ministry of Interior [MOI] in what is seen as a major attempt to curb corruption in the police force and restructure the state enterprise sector. The move came in an order announced by Deputy Prime Minister Phan Van Khai which was carried in the March 7 edition of SAIGON GIAI PHONG. The order cautioned the MOI against allowing private businesses to act "in the names of police enterprises". It called on the MOI to "check the activities" of companies under its wing, and to dismiss managers found to be incompetent.

The order also indicated that subsidies would only be forthcoming to business activities of the police force that are deemed to meet its needs.

The MOI owns the Pacific Company, which operates a chain of hotels in major cities such as Hanoi, Ho Chi Minh City and Vung Tau. In Hanoi, it owns the Boss Hotel which was among the first establishments in the capital to offer a discotheque and pool table.

"The MOI has to report to the Prime Minister on the effectiveness of the hotel operations...and convert loss-making hotels into joint ventures with foreign partners in order to ensure effective use of capital," the order said.

The Government further instructed the MOI to make optimum use of prison land, calling among other things for a "reorganisation" of the plantation of industrial crops. It also urged maximisation of prison labour "except for (that of) the old, ailing and political criminals." The order called on the MOI to turn over products made by prison labour and resources to the Government. It said proceeds from the products would be shared out as reward to worthy "cadres" and prisoners, and reinvested for expanded production.

The order affirmed that the State Planning Committee had been assigned to work out a capital allocation plan for companies run by the MOI.

It also made clear that none of these companies would be "equitised"—in other words, be open to shareholdings by the general public.

The State Planning Committee organises subsidies given to companies run by the MOI and the Ministry of Defence.

Workers at State Plant on Third Wildcat Strike

BK1503075094 Hong Kong AFP in English 0352 GMT 15 Mar 94

[Text] HANOI, March 15 (AFP)—Workers at a Vietnamese state-owned factory producing bags for a South Korean firm held their third wild-cat strike in two months over the weekend to demand higher wages and protest harsh conditions, a report said Tuesday. Management at the Saigon Shoe Factory in Ho Chi Minh City complained that workers had not given any notice of the 24-hour strike that began Saturday, the *Nguoi Lao Dong* newspaper reported.

Workers said the demands made by their "tense" work were too great and their payments too low, common complaints at factories here under contract to foreign clients, particularly South Koreans. But after talks with the Ho Chi Minh City Federation of Labour, the workers returned to the factory, which has seen two earlier strikes in the past two-months.

The labour ministry said last month that workers would be allowed to strike as a last resort but should give two-weeks notice of any industrial action.

Reports of strikes, particularly in the south of the country, are becoming more common, with three large shutdowns just before the Lunar New Year holiday last month.

Phan Van Khai at Meeting on New Development Zone

BK1503145594 Hanoi VNA in English 1425 GMT 15 Mar 94

[Text] Hanoi VNA March 15—the State Planning Committee has introduced orientation for building a key development zone in the north at a conference held here recently and chaired by Vice Premier Phan Van Khai. The northern key development zone expected to cover Hanoi, Haiphong and Hon Gai (to be renamed Ha Long soon), will play an important part in the implementation of the strategy for socio-economic development of the north and the whole country as well. The zone concentrates major industrial, activities and communication and transport junctures of northern Vietnam. It has a great economic potential in the way of natural resources, workforce, and tourisms. It has 300-km coastal line with deep gulfs favourable for sea port construction. In addition, the zone's hydro-electricity potential accounts for 60 of the country's reserves. It has 175,000 ha of forests, 318,000 ha of farm land, and 226,000 ha of bare hills. About 90 of its population are literate [sentence as received]. By the end of last year some 162 foreign investment projects had been licensed in this zone with a total investment capital of USD 1.63 billion: Hanoi has 120 projects with USD 1.04 billion, and Haiphong 24 projects with USD 523.5 million. The development orientation of all branches of activities in the zone from now to the year 2000 and 2010 is to change the economic structure in conformity with the market economy to increase the proportions of industrial production and services, and to encourage the development of non-governmental economic sectors and foreign investment into this zone.

Vo Van Kiet Tours Hoa Binh Power Station

BK1403150494 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Mar 94

[Report by Dinh Khai on Prime Minister Vo Van Kiet's working visit to Hoa Binh Province from 12-13 March]

[Summary] Dear friends, the first stop on Prime Minister Vo Van Kiet's visit was the Hoa Binh 500-kilovolt power transformer, which is the key power transmission station of the north-south 500-kilovolt power line.

In his cordial exchange of views with Nguyen Huyen Chuoc, a labor hero and prominent machine installation expert, Prime Minister Vo Van Kiet said:

[Vo Van Kiet] "Comrade, do you see any difference between the installation of this 500-kilovolt power transformer and that of a 200-kilovolt power transformer?"

[Nguyen Huyen Chuoc] "Well, in principle, there is no difference. We face a greater danger, however, in term of insulation here. Furthermore, this project calls for more stringent quality control measures and higher precision.

[Vo Van Kiet] "Do you think that once you have completed the installation of this 500-kilovolt power transformer, you can improve your expertise and cooperate with foreign engineers in the future?"

[Nguyen Huyen Chuoc] "I am positive we can."

Vo Van Kiet noted with pleasure that most of the work had been completed. He commended everyone for their great efforts to build the north-south 500-kilovolt power line, which is of great importance to the cause of national construction. The prime minister expressed his hope that everyone will continue to complete the remaining work with the highest results.

Next, the prime minister called on the Vietnamese cadres and workers and Russian specialists at the Hoa Binh hydroelectric power plant where the last phase of the installation of the eighth group of generators was in progress. The prime minister reminded everyone of the need to make continued efforts to guarantee the highest level of quality for this last group of generators.

During his two-day visit to Hoa Binh, Vo Van Kiet devoted much of his time to touring a number of production establishments and to working sessions with leading provincial officials. He also toured Nam Phong Village in Ky Son District, where he called on a number of households which performed very well in the movement to promote the household economy. Next, while touring Trung Phong Village, the prime minister expressed his keen interest in sugar cane planting. Afterward, he visited the Cao Phong state farm. In his exchange of views with Farm Director Hoang Huu Qui, the prime minister said:

[Vo Van Kiet] "What is the average annual income of each household here?"

[Hoang Huu Qui] "On the average, each worker here earns 20 million dong per year. Some outstanding workers earn as much as 40-45 million dong each per year. The farm management collects fees on basic depreciation and agricultural taxes. In addition, each worker also makes a three-percent contribution to the production insurance fund. Altogether, each worker contributes about 40 percent of his or her income and keeps the rest, which stands at about 60 percent."

[Vo Van Kiet] "Is production stable?"

[Hoang Huu Qui] "Yes, it is stable. For example, the yield of each orchard is about 150 quintals, or 15 tons."

[Vo Van Kiet] "Are there any supplemental measures to increase the incomes of the farm and households?"

[Hoang Huu Qui] "Well, we think that intensive cultivation is one way to increase our crop yield. We also think of ways to generate high-yield saplings, which, in turn, will yield higher revenues."

Also at Ky Xuan District, Vo Van Kiet visited the forested area in Dan Hoa village. He urged the local administration and people to continue to plant forest trees and fruit orchards on denuded land to earn more income.

After visiting various production establishments, Vo Van Kiet held a working session with the leading cadres of Hoa Binh. Comrade Nguyen Nhu Coc, secretary of the provincial party committee, briefed the prime minister on the socioeconomic situation of the province and its tasks for the days ahead.

"In a talk to leading cadres of the province, Vo Van Kiet commended the provincial party organization and people for their efforts in improving the economic structure in accordance with the party lines and policies. He urged Hoa Binh to formulate plans to plant more crops and improve animal husbandry to produce a greater volume of products so as to provide good support to the processing industries. The province should play close attention to each village and help each family develop production to extricate themselves from poverty and strive to amass wealth through their great efforts."

He also urged the province to formulate concrete plans to reduce the number of poor families by 20 percent annually, while striving to improve its economic structure through progress toward agro-industrial development.

During the working session with leading cadres of Hoa Binh, Vo Van Kiet stressed the necessity of helping the local people overcome their difficulties and poverty, especially those who live in the Da River basin. He also stressed the importance of preserving forests around the Da River basin. The prime minister said:

[Vo Van Kiet] "I heard that forests in the Da River basin are being destroyed by some people. If this is true, it is very dangerous. We must take most concrete measures to immediately stop deforestation there [words indistinct]. We must also formulate plans to help the local people engage in various kinds of trade. We must educate and motivate the local people to preserve the forests. For those who intend to destroy forests through illegal logging, we must take drastic measures against them. I would like to stress that first we must formulate plans to help the local people to overcome difficulties, while encouraging them to preserve forests in the Da River basin."

Three Generators Inaugurated at Ba Ria-Vung Tau

BK1403061994 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 12 Mar 94

[Text] The No. 2 Electricity Company inaugurated three 37.5-megawatt gas turbine generators at the Ba Ria-Vung Tau Power Station on the morning of 12 March. The

three generators are now safely producing more than 92 million kilowatt-hours of electricity for the national line after being installed and completing a test run from 12 January to 2 March. Thanks to these generators, daily electricity resources for the southern provinces have increased by about 15-20 percent. The total cost of the 63-km, 220-kilovolt Ba Ria-Long Binh line and the three generators was more than 441 billion dong.

Australia

Navy Seizes Indonesian Boat for Illegal Fishing

*BK1503080794 Melbourne Radio Australia in English
0500 GMT 15 Mar 94*

[Text] An Indonesian fishing boat has been apprehended by the Australian Navy near Christmas Island in the Indian Ocean. The boat with 13 crew was spotted near the island yesterday by the Broome-based coast watch aircraft. It is alleged the longline vessel was fishing illegally in Australian waters.

The vessel is being escorted by the Navy patrol boat Gawler and it is expected to reach Christmas Island later today.

Papua New Guinea

Military Budget for Bougainville Increased

*BK1303125894 Melbourne Radio Australia in English
1100 GMT 13 Mar 94*

[Text] Papua New Guinea's [PNG] prime minister, Paias Wingti, has announced more money for military operations against secessionist rebels on the island of Bougainville. The announcement comes just days after the United Nations Human Rights Commission adopted, by consensus, a resolution relating to the conflict on Bougainville. The resolution called on the PNG Government to invite UN investigators to visit Bougainville to look into human rights abuses. Sean Dorney reports:

[Begin recording] [Dorney] Reviewing a trooping of the colors ceremony at (Torano) Bay, just outside Port Moresby, at the weekend, Prime Minister Paias Wingti praised the 1st Battalion of the Pacific island's regiment, claiming that its ability to win the hearts and minds of

the people have led to abiding their operation gaining public confidence and respect. And Mr. Wingti announced there'd be more money for the army.

[Wingti] Yesterday, the cabinet also made a very important decision to allocate 5 million kina, new money for the operations on Bougainville for the defense force.

[Dorney] The 1st Battalion has had 21 soldiers killed in the Bougainville conflict. [end recording]

Solomon Islands

Saemala Says UN To Assist With Border Treaty

*BK1103051094 Hong Kong AFP in English 0501 GMT
11 Mar 94*

[Text] HONIARA, March 11 (AFP)—The United Nations will help the Solomon Islands Government negotiate a border treaty with Papua New Guinea [PNG], Foreign Minister Francis Saemala said here Friday.

The two countries have experienced tensions in the past created by the civil war on the PNG island of Bougainville, on the Solomon's border. PNG military forces on several occasions crossed into Solomon's territory and opened fire on Solomon's villages.

Saemala returned here Friday from a United Nations Development Programme [UNDP] funded study tour of Torres Strait Islands, an Australian territory near PNG.

Saemala said the UNDP told him it was willing to fund technical aspects of an initiative taken by the government here to seek a lasting peace on the border with PNG.

Negotiations on the treaty will start after the technical aspects here are finalised.